



Annual Report 2012

Corporate Information

Adept Solutions Limited and Controlled Entities

ABN 93 104 757 904

Directors

Robert Browning (Non-executive Chairman)

Tom Cregan (Managing Director & Chief Executive Officer)

Tony Adcock (Non-executive Director)

David Liddy (Non-executive Director)

Peter Martin (Non-executive Director)

John Toms (Non-executive Director)

Company Secretary

Yasmin Broughton

Registered Office and Principal Place of Business

Suite A11, 435 Roberts Road

Subiaco WA 6008

Telephone: (08) 6143 2050

Facsimile: (08) 9381 5536

Auditors

HLB Mann Judd (WA Partnership)

Level 4, 130 Stirling Street

Perth WA 6000

Telephone:(08) 9227 7500

Facsimile: (08) 9227 7533

Bankers

Bank of Western Australia Ltd (Bankwest)

25 Cantonment Street

Fremantle WA 6160

Heritage Bank Limited (Heritage)

305 Queen Street

Brisbane QLD 4000

Telephone: (07) 3229 5227

Facsimile: (07) 3221 6322

Share Register

Link Market Services Limited

Level 12, 680 George Street

Sydney NSW 2000

Telephone: (within Australia): 1300 554 474

Telephone: (outside Australia): +61 (02) 8280 7761

Facsimile: (02) 9287 0303

Website

www.adeptsolutions.com.au

Securities Exchange Listing

Adept Solutions Limited is listed on the Australian Securities Exchange (ASX: AAO)

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Chairman's Report

Dear Shareholder

Adept Solution Limited's (Adept or Company) first year as a financial services company brought with it large amount of activity bedding down the acquisition of Emerchants Limited (*emergants*). As a very young and rapidly growing leader in the prepaid card industry in Australia, the focus was on tightening the organisation's sales strategy, augmenting the sales and management team, and tightening business processes.

Mr Tom Cregan joined Adept in January 2012 and was appointed Chief Executive Officer in April and, given his depth of experience in the prepaid card industry, was able to lead the refinement of *emergants*' sales strategy. With our greater strategic focus on commercial prepaid (reloadable) debit cards, we expect to be able to take advantage of a large and more profitable market segment, with fewer competitors possessing the card functionality that *emergants* has to offer.

Adept was quite pleased to extend its close working relationship with a leading issuer of prepaid gift cards, Edge Loyalty Systems Pty Ltd, via the execution of a multi-year agreement. Edge has been a primary contributor of *emergants*' revenue growth and this new agreement will underpin revenue levels, allowing our new focus on commercial prepaid to augment future revenue growth.

The effective execution of any strategy is dependent upon a strong stable of talent. We started at the very top, by right-sizing our Board of Directors and appointed three very seasoned business professionals, Mr Tony Adcock, a former PricewaterhouseCoopers partner, Mr David Liddy, former CEO of Bank of Queensland and Mr Peter Martin, former CEO of Rothschild Asset Management in Australia. A new Chief Information Officer, a new Chief Commercial Officer, additional business development personnel and business analysts have put your Company in a position to ensure the action plans in place are effectively executed.

The most encouraging aspect of the past fiscal year was the consistent, strong growth in all key performance measures that underpin the ultimate profitability of the Company. Revenue generating transactions, stored value, new card activations and general revenue all grew at double or triple digit rates over the prior year. This sort of growth

rate bodes well for the future of the Company and is an important driver to our turning profitable in the future.

The Board has considered a number of legacy items on the statement of financial position. As a result, the remaining mining tenements from Australasia Consolidated were written off, given the change of business that was undertaken following the acquisition of *emergants*. As required by accounting standards, the Board reviewed the value of goodwill, currently \$10.8m. The Board considers the strategies and initiatives outlined in this report demonstrate the robust future of the Company and support the current value of goodwill.

Adept finished its first year with a successful capital raising, thereby strengthening its balance sheet for the foreseeable future, with a rights offering raising \$1,412,364 and the placement of an additional \$1,251,750.

Your Board and Management team thanks you for your continuing support in the prior year and we look forward to keeping you apprised of accomplishments and milestone achievements in the coming year.



Robert Browning
Non-executive Chairman

24 September 2012



Managing Director's Report

The 2012 financial year has been one of transition for Adept, as it evolved from a mining company to a financial services company through the acquisition of *emerchants*.

Further to that, the original strategy was for Adept to act as a non-operating public holding company and to grow via the acquisition of other complementary businesses.

As part of a strategic review of the business undertaken in the middle of the year, the Board has endorsed a highly focused strategy of turning *emerchants* into the leading provider of re-loadable prepaid debit payment solutions into the commercial, government and not-for-profit segments. Prepaid products differentiate themselves from traditional payment products because funds are pre-loaded ahead of usage and the customer can control how, when and on what the funds can be used for, which is reflected in our mission statement:

emerchants
empowering | Your Money

and in our Vision, which is to transform the commercial payment solutions landscape by inspiring enterprises to demand more control, more transparency and more flexibility over their funds, and to deliver our stakeholders sustainable financial success.

Non-reloadable (gift) revenues will remain an important part of our financials in the medium term, and we were pleased to announce in April a renewal of our exclusive agreement with Edge Loyalty Systems. The existing products we provide through this relationship, and new products that are in development, provide us with a solid financial foundation.

Whilst the majority of our revenues today are generated from non-reloadable (gift) cards, the

market opportunity for re-loadable products in Australia has been estimated at \$16.2bn per annum. Importantly, re-loadable prepaid programs generate recurring revenues over multi-year contracts and provide the scale in our business model and to position ourselves for a leadership position in this segment, we have made significant investments in the second half of the year. Those investments included the recruitment of a new Executive team and other key employees, and increased investment in Information Technology, Sales and Marketing and Product Development.

The Executive team was enhanced with the recruitment of Mr James Ingham as our Chief Technology Officer. James has over 19 years' experience in Information Systems and was formerly head of Information Technology for the Group Investment Division of QBE. In addition, Mr Richard Anderson joined the Company in May as Chief Commercial Officer, with responsibility for sales, marketing and client services, and brings with him several years of experience in the prepaid financial services market in the United States. Mr Bruce Stewart was promoted from Financial Controller of Emerchants Ltd to the Chief Financial Officer role in February 2012 and together with additional hires in Business Analytics, Business Development and Product Development, make up a strong and talented team.

While we have been "re-tooling" the Company with a focused strategy and a new team, the key metrics of the business have continued to perform well. As we generate revenues from a range of areas including transaction fees, monthly fees, set-up fees, interest and breakage, the four key metrics include:

- **New Dollar Loads** Total dollars loaded onto our prepaid platform (+113% on prior year)
- **Total Cards Issued** How many cards are issued through the platform (+102% on prior year)
- **Transactions** How many transactions are generated by those cards (+99% on prior year) and
- **Funds Under Management** The dollars on our platform that generate interest income (+83% on prior year)

That performance translated into revenue of \$3.8m, up 80% on the prior year on a pro-forma basis assuming *emerchants* had been part of the Company for the entire period. Despite that performance, as a result of investments made during the year, the company generated negative EBITDA of \$6.5m, which is clearly unacceptable and has reflected itself in our historical share price performance over the course of the year. As focused as we are on driving revenue growth and margin expansion, we will continue to look for opportunities to reduce expenses, conserve cash and bring forward our transition into positive cash flow and profitability.

Following a successful shareholder rights issue and private placement, both of which were fully subscribed, we have the strategy, team and funding in place, and we look forward to executing on the strategy and providing shareholders with updates of our progress during the year.

Yours sincerely,



Tom Cregan



Directors and Company Secretary

Your Directors submit the annual financial report of the consolidated entity consisting of Adept Solutions Limited and the entities it controlled during the period for the financial year ended 30 June 2012 (Report). The names of Directors who held office during or since the end of the year and until the date of this Report are as follows:

Current Directors



Tony Adcock – Non-executive Director

(Appointed Non-executive Director and Chairman 21 November 2011, resigned as Chairman 1 April 2012)

Mr Adcock has extensive international experience leading teams involved in multi-million dollar, complex transformation projects. As a banker and consultant he has worked in both the retail and business side of banking together with leadership roles in treasury and capital markets. He is a former Managing Partner of the Birchman Group Asia Pac, an international management consulting firm and Founding Director of Red Pill Performance Consultants Pty Ltd which provides executive coaching, high performing teams and strategic management consulting services. Prior to founding Red Pill, he was a Partner in PricewaterhouseCoopers Consulting and IBM Business Consulting Services running a business across Asia Pacific. Mr Adcock also has a capital markets and investment background. Mr Adcock is also a non-executive Director of SIRCA, the Asia Pacific Capital Markets Research body and Discovery Resources Pty Ltd. and is Chairperson of the Audit & Risk Committee and a member of the Remuneration Committee of the latter.

Other Listed Public Company Directorships in the last 3 years:

Discovery Resources Limited, since 13 December 2010
Xceed Resources Limited, from 29 October 2007 to 6 April 2011.



Robert Browning – Non-executive Chairman

(Appointed Chief Executive Officer 16 November 2010, resigned as Chief Executive Officer 1 April 2012; appointed Managing Director 25 February 2011, resigned as Managing Director 1 April 2012; appointed Executive Chairman 2 April 2012, resigned as Executive Chairman 27 August 2012; appointed Non-executive Chairman 27 August 2012)

Mr Browning is a seasoned leader with a proven track record, and over 25 years of experience in a broad range of executive roles within multiple industries, both domestically and internationally, including six years as CEO of Alinta Limited. He is adept at the effective translation of corporate strategy into actionable plans with appropriate responsibilities and accountabilities cascaded through all layers of the organisation. Mr Browning was a Director of Austal Limited from September 2003 to November 2010.

Other Listed Public Company Directorships in the last 3 years:

Austal Limited, from 2 September 2003 to 15 November 2010.



Tom Cregan – Managing Director and Chief Executive Officer

(Appointed Chief Executive Officer elect 4 January 2012; appointed Chief Executive Officer 2 April 2012; appointed Managing Director 27 August 2012)

Prior to joining Adept, Mr Cregan was the Executive Vice President of NetSpend Corporation in the US. NetSpend is a market leader in the prepaid card industry. Other roles held include President, e-pay Americas, sales and management positions at Westpac Bank, Singtel Optus PTY and Mobile Oil Australia.

Other Listed Public Company Directorships in the last 3 years:
Nil.



David Liddy – Non-executive Director

(Appointed Non-executive Director 27 April 2012)

Mr Liddy is one of the most experienced retail bankers in Australia, having spent over 43 years in the banking industry, most recently as the Managing Director and CEO of the S&P/ASX100 company Bank of Queensland Limited (BOQ). Mr Liddy retired in 2011 after 11 years at BOQ and his leadership over this period led to significant growth in all facets of the organisation. Prior to joining Bank of Queensland, Mr Liddy was the Chief Executive of Personal Financial Services at Westpac, where he had spent 33 years, working his way up from being a branch teller to a range of senior management positions in both Australia and offshore.

Other Listed Public Company Directorships in the last 3 years:

Collection House Limited, since 27 March 2012
Bank of Queensland, from April 2001 to 31 August 2011.

Current Directors

continued



Peter Martin – Non-executive Director

(Appointed Non-executive Director 19 April 2012)

Mr Martin was formerly the Chief Executive Officer of Rothschild Australia Asset Management (Rothschild) and was a director of a number of Rothschild boards in Australia and overseas. He was instrumental in the sale of Rothschild to Westpac Banking Corporation for \$350 million. Mr Martin has 35 years international commercial experience in marine construction, finance and investment management and holds a Master of Business Administration from Harvard Business School and a Bachelor of Civil Engineering from Monash University.

Other Listed Public Company Directorships in the last 3 years:
Nil.



John Toms – Non-executive Director

(Appointed Non-executive director 2 July 2011)

John Toms was CEO for 17 years of an Approved Deposit-taking Institution (ADI), Non-executive Director for 17 years of Australian Payments Clearing Association, Non-executive Director of Mercer Nominees, Consultant to business and Federal Government, Executive Director of Insurance Agents Association of Australia and a Commonwealth public servant.

Other Listed Public Company Directorships in the last 3 years:
Nil.

Company Secretary and General Counsel



Yasmin Broughton – Company Secretary and General Counsel

(Appointed 2 May 2011)

Yasmin Broughton is an experienced corporate lawyer and company secretary with recent roles as the General Counsel and Company Secretary of Atlantic Limited, General Counsel and Company Secretary of Jemena Limited and Acting General Counsel and Company Secretary of Alinta Limited.

Previous Directors

Mark Barnaba

(Appointed Non-executive Director 2 July 2011, resigned as Non-executive Director 17 February 2012).

John Battley

(Appointed Non-executive Director 2 July 2011, resigned as Non-executive Director 31 March 2012; resigned as General Manager of Operations 31 January 2012).

Bryant Plavsic

(Appointed Chief Financial Officer 1 November 2010, appointed Executive Director 25 February 2011, resigned as Chief Financial Officer 1 February 2012; resigned as Non-executive Director 27 April 2012).

John Terpu

(Appointed Non-executive Director 24 March 2009, resigned as Non-executive Director 19 April 2012; appointed Chairman 27 May 2009, resigned as Chairman 18 November 2011).

John Willinge

(Appointed Non-executive Director 2 July 2011, resigned as Non-executive Director 17 October 2011).

Director's Report

Directors' Meetings

The number of meetings of the Company's Board of Directors attended by each Director during the year ended 30 June 2012 were as follows:

Adept Directors	Number of Board Meetings Held Whilst in Office	Number of Board Meetings Attended
Robert Browning	12	12
Tony Adcock	7	7
David Liddy	4	4
Peter Martin	4	4
John Toms	12	12
Mark Barnaba	6	5
John Battley	7	6
Bryant Plavsic	8	8
John Terpu	8	5
John Willinge	3	3

Audit & Risk Management Committee (ARMC) Members	Number of ARMC Meetings Held Whilst on Committee	Number of ARMC Meetings Attended
Tony Adcock	2	2
David Liddy	-	-
Bryant Plavsic	5	5
John Terpu	4	4
John Toms	5	5

Remuneration & Nomination Committee (RNC) Members	Number of RNC Meetings Held Whilst on Committee	Number of RNC Meetings Attended
Tony Adcock	2	2
Mark Barnaba	3	3
Robert Browning	4	4
Peter Martin	-	-
Bryant Plavsic	1	1
John Terpu	1	1
John Willinge	1	1

Interests in shares and options of the Company and related bodies corporate

The following relevant interests in shares and options of the Company or a related body corporate were held by the directors as at the date of signing of this report:

AAO Directors	Number of options over ordinary shares	Number of fully paid ordinary shares
Tony Adcock	1,000,000	80,549
Robert Browning	5,400,000	1,600,375
Tom Cregan	2,000,000	11,111,109
David Liddy	-	527,777
Peter Martin	-	5,597,432
John Toms	200,000	-

Options

The following share options of the Company were granted to key management personnel of the Company during or since the end of the financial year as part of their remuneration:

Directors and officers	Number of options granted
Yasmin Broughton	3,750,000
Tom Cregan	2,000,000
Bruce Stewart	3,750,000
Richard Anderson	1,750,000
James Ingham	1,750,000

At the date of signing of this report unissued (post-consolidation) ordinary shares of the Company under option are:

Expiry Date	Exercise price	Number of options
Listed		
19 April 2013	\$0.50	26,079,731
Unlisted		
2 November 2012	\$0.85	3,960,000
31 October 2012	\$0.60	15,000
31 December 2012	\$0.55	30,000
1 June 2014	\$1.30	666,668
18 July 2014	\$1.45	6,000,000
5 January 2015	\$0.50	2,000,000
4 February 2015	\$0.50	1,000,000
30 September 2015	\$0.15	12,000,000
		51,751,399

Dividends

No dividends were declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Principal Activities

The principal activity of the entities within Adept Group during the year was the provision of payment services.

Review of operations

The full review of operations immediately precedes this Report.

Operating results for the year

The net result of operations for the year was a loss after income tax of \$10,027,335 (2010: \$5,156,286).

The loss incorporated a number of non-cash items (33% of the total expense base and 50% of the total loss), including the vesting expense of share-based payment expenses amounting to \$1.1m on options awarded to executives and management in the FY11 year and \$0.2m for options awarded in the current year.

Other factors contributing to the loss include certain significant one-off charges, namely:

- The recruitment of a new leadership team (\$0.45m);
- The write down of mining tenements to nil book value as the Company is not undertaking significant operations regarding its remaining mining tenements, reflecting the fact that the focus and strategy of the Company is centred on payments solutions (\$1.63m). The directors will continue to seek to achieve a suitable outcome in relation to these tenements. This charge included an amount of \$0.4m relating to the sale of the Northern Territory mining tenement that the Company may receive in the FY14 year conditional upon a production decision being entered into by the acquirer, but was required to write off as it did not meet the recognition criteria as a contingent asset (refer Note 9);
- The amortisation of finite life intangibles over a one-year period that arose on the acquisition of Emerchants (\$1.09m);
- Termination payment for outsourced administration services (\$0.35m); and
- Consultancy and advisory services related the acquisition and subsequent integration of *emERCHANTS* (\$0.54m).

Significant events after balance date

Pursuant to a Prospectus dated 18 June 2012, the Company undertook a renounceable rights issue entitlement offer of up to 15,693,083 new shares at an issue price of \$0.09 each on the basis of 1 new share for every 4 shares held as at 27 June 2012 to raise approximately \$1,412,377 (**Rights Issue**) and a placement of up to 16,666,666 new shares to investors at an issue price of \$0.09 per new share to raise approximately \$1,100,000 with the ability to accept an additional \$400,000 in oversubscriptions (**Placement**).

The Rights Issue was partially underwritten by some of the Directors and, together with this underwriting, the Rights Issue was fully subscribed and 15,692,942 fully paid shares were issued on 26 July 2012 at an issue price of \$0.09 to raise a total of \$1,412,364.

The Placement was fully subscribed with 13,908,328 fully paid ordinary shares issued at a price of \$0.09 on 3 August 2012 based on the total proceeds received of \$1,251,750 which comprised a placement of \$1,100,000 and additional oversubscriptions of \$151,750.

On 21 August 2012 the Board approved the issue to Executives and other staff members of 12,000,000 performance-based options to take up fully paid ordinary post-consolidation shares of the Company and the implementation of a short term incentive plan (**STIP**) available to all employees of the Company in order to incentivise and retain existing employees and to attract new employees to the business. The STIP is funded from a bonus pool calculated by any surplus achievement of the Board approved FY13 EBITDA Budget and is paid to employees as a maximum tiered percentage of their annual remuneration.

Except for the above there has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

Likely developments and expected results

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Therefore, this information has not been presented in this Report.

Environmental legislation

The consolidated entity is not subject to any significant environmental legislation.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the Directors and the Company Secretary of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors or Company Secretary of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium in respect of a contract insuring the directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Remuneration report

This report outlines the remuneration arrangements in place for the key management personnel of Adept Solutions Limited for the financial year ended 30 June 2012. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for key management personnel (**KMP**) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes the five executives in the parent and the Group receiving the highest remuneration.

Key Management Personnel

(i) Directors

Current Directors

Robert Browning (Appointed Executive Director 25 February 2011, resigned as Managing Director 1 April 2012; appointed Executive Chairman 2 April 2012, resigned as Executive Chairman 27 August 2012; appointed Non-executive Chairman 27 August 2012).

Tony Adcock (Appointed Non-executive Director and Chairman 21 November 2011, resigned as Chairman 1 April 2012).

Peter Martin (Appointed Non-executive Director 19 April 2012).

David Liddy (Appointed Non-executive Director 27 April 2012).

John Toms (Appointed Non-executive Director 2 July 2011).

Tom Cregan (Appointed Chief Executive Officer elect 4 January 2012, appointed Chief Executive Officer 2 April 2012; Appointed Managing Director 27 August 2012).

Previous Directors

John Terpu (Appointed Non-executive Director 24 March 2009, appointed Chairman 27 March 2009, resigned as Non-executive Director 19 April 2012; resigned as Chairman 18 November 2011).

Bryant Plavsic (Appointed Executive Director 25 February 2011, resigned as Chief Financial Officer 1 February 2012; resigned as Non-executive Director 27 April 2012).

Mark Barnaba (Appointed Non-executive Director 2 July 2011, resigned as Non-executive Director 17 February 2012).

John Battley (Appointed Executive Director 2 July 2011, resigned General Manager of Operations 31 January 2012 resigned as Non-executive Director 31 March 2012).

John Willinge (Appointed Non-executive Director 2 July 2011, resigned as Non-executive Director 17 October 2011).

(ii) Executives

Bruce Stewart (Appointed Chief Financial Officer 1 February 2012).

Yasmin Broughton (Appointed Company Secretary & General Counsel 2 May 2011).

James Ingham (Appointed Chief Technology Officer 16 April 2012).

Richard Anderson (Appointed Chief Commercial Officer 14 May 2012).

Remuneration philosophy

The performance of the Company depends upon the quality of the directors and executives. The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable executive remuneration.

Remuneration and Nomination Committee

Adept established a Remuneration and Nomination Committee on 30 August 2011.

The Remuneration and Nomination Committee assesses the appropriateness of the nature and amount of remuneration of directors and executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive Director remuneration

The Remuneration and Nomination Committee seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The latest determination was at the Extraordinary General Meeting held on 22 July 2010 when shareholders approved an aggregate remuneration of \$500,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Remuneration and Nomination Committee considers advice from external shareholders, as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Each Non-executive Director receives a fee for being a Director of the Company. An additional fee is also paid to the chairman of each of the Remuneration and Nomination Committee and the Audit and Risk Management Committee. The payment of additional fees for serving as chairman on a Board committee recognises the additional time commitment required by the chairman of each committee.

Senior manager and Executive Director remuneration

Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

Fixed Remuneration

Fixed remuneration is reviewed annually by the Remuneration and Nomination Committee. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Committee has access to external, independent advice where necessary.

Senior managers and Executive Directors are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

Variable Remuneration

The Group had no performance-based remuneration component built into Director and executive remuneration packages in the current financial year.

On 21 August 2012 the Board approved the issue to Executives and other staff members of 12,000,000 performance-based options to take up fully paid ordinary post-consolidation shares of the Company and the implementation of a short term incentive plan (STIP) available to all employees of the Company in order to incentivise and retain existing employees and to attract new employees to the business.

The performance-based options will vest subject to the achievement of the Board approved FY15 Company EBITDA target and other administrative conditions. The FY15 targets were approved by the Board on 29 June 2012.

The STIP is funded from a bonus pool calculated by any surplus achievement of the Board approved FY13 EBITDA Budget and is paid to employees as a maximum tiered percentage of their annual remuneration. The FY13 Budget was approved by the Board on 29 June 2012.

Employment Contracts

Robert Browning (Non-executive Chairman)

Mr Robert Browning was asked to assume the role of Executive Chairman of the Company on 2 April 2012, following the appointment of Mr Tom Cregan as Chief Executive Officer.

Upon assuming the role of Executive Chairman, Mr Browning reduced his annual salary from \$400,000 per annum to \$200,000 per annum plus the statutory superannuation rate of 9%.

Mr Browning's employment relationship with the Company was at-will, with no guarantees of notice periods or severance payments if or when the employment relationship is severed.

Further to the appointment of Mr Tom Cregan as Managing Director, Mr Robert Browning was asked to assume the role of Non-executive Chairman of the Company on 27 August 2012.

Upon assuming the role of Non-executive Chairman, Mr Browning will receive a director's fee of \$140,000 plus statutory until 31 December 2012. From 1 January 2013 Mr Browning's remuneration will reduce to \$90,000 plus statutory superannuation.

Tom Cregan (Chief Executive Officer)

The Company entered into an executive services agreement on 19 December 2011 engaging Mr Cregan as Chief Executive Officer of the Company.

Pursuant to his executive services agreement, Mr Cregan is entitled to receive a fixed remuneration package of \$416,000 per annum (comprising base salary and superannuation benefits at the statutory rate of 9% and other entitlements). In addition, Mr Cregan was entitled to receive a grant of bonus

shares that matched the purchase of shares for \$500,000 that he made as part of the Company's recent placement. Mr Cregan was awarded 5,555,555 shares at the placement price of \$0.09 per share for a value of \$500,000 as part of his executive services agreement. The bonus shares are held in voluntary escrow for two years from the date of issue and if Mr Cregan's services are terminated for reasons of misconduct the bonus shares will not vest. If there is a change in control of the Company or the Company terminates the executive services agreement without cause, the bonus shares shall vest to Mr Cregan.

Mr Cregan may terminate his employment at any time during the term of the agreement by giving 3 months' notice in writing. The Company may elect to terminate the agreement at any time during the term of the agreement by giving Mr Cregan 3 months' notice or making a payment in lieu of the total remuneration the executive would have received during the remaining notice period. The Company may terminate the agreement without notice in the case of Mr Cregan's misconduct and other circumstance contrary to the interests of the Company.

Richard Anderson (Chief Commercial Officer)

The Company has entered into an executive services agreement on 14 May 2012 engaging Mr Anderson as Chief Commercial Officer of the Company.

Pursuant to his executive services agreement, Mr Anderson is entitled to receive a fixed remuneration package of \$236,000 per annum (comprising base salary and superannuation benefits at the statutory rate of 9% and other entitlements). In addition, Mr Anderson is entitled to receive a monthly rental assistance allowance of \$5,607 for a maximum 3 year period and a one-off relocation assistance allowance of \$50,000, \$25,000 of which was paid prior to 30 June 2012.

Mr Anderson may terminate his employment at any time during the term of the agreement by giving 3 months' notice in writing. The Company may elect to terminate the agreement at any time during the term of the agreement by giving Mr Anderson 3 months' notice or making a payment in lieu of the total remuneration the executive would have received during the remaining notice period. The Company may terminate the agreement without notice in the case of Mr Anderson's misconduct and other circumstance contrary to the interests of the Company.

Yasmin Broughton (Company Secretary and General Counsel)

The Company has entered into an executive services agreement engaging Ms Broughton as General Counsel and Company Secretary of the Company.

Pursuant to her executive services agreement, Ms Broughton is entitled to receive a fixed remuneration package of \$325,000 per annum (comprising base salary and superannuation benefits at the statutory rate of 9% and other entitlements).

Ms Broughton's employment commenced on 2 May 2011. Ms

Broughton may terminate her employment at any time during the term of the agreement by giving 3 months' notice in writing. The Company may elect to terminate the agreement at any time during the term of the agreement by giving Ms Broughton 6 months' notice or making a payment in lieu of the total remuneration she would have received during the remaining notice period. The Company may terminate the agreement without notice in the case of Ms Broughton's misconduct and other circumstance contrary to the interests of the Company.

Bruce Stewart (Chief Financial Officer)

The Company has entered into an executive services agreement on 1 February 2012 engaging Mr Bruce Stewart as Chief Financial Officer of the Company.

Pursuant to his executive services agreement, Mr Stewart is entitled to receive a total remuneration package of \$220,000 per annum (comprising base salary and superannuation benefits at the statutory rate of 9% and other entitlements).

Mr Stewart may terminate his agreement at any time during the term of the agreement by giving 3 months' notice in writing. The Company may elect to terminate the agreement at any time during the term of the agreement by giving Mr Stewart 3 months' notice or making a payment in lieu of the total remuneration the executive would have received during the remaining notice period. The Company may terminate the agreement without notice in the case of Mr Stewart's misconduct and other circumstance contrary to the interests of the Company.

James Ingham (Chief Technology Officer)

The Company has entered into an executive services agreement on 16 April 2012 engaging Mr Ingham as Chief Technology Officer of the Company.

Pursuant to his executive services agreement, Mr Ingham is entitled to receive a fixed remuneration package of \$239,800 per annum (comprising base salary and superannuation benefits at the statutory rate of 9% and other entitlements). In addition, Mr Ingham is entitled to receive a monthly living away from home allowance of \$3,826 for a maximum 2 year period which will terminate should he permanently relocate to the Company's operational headquarters in Brisbane.

Mr Ingham may terminate his employment at any time during the term of the agreement by giving 3 months' notice in writing. The Company may elect to terminate the agreement at any time during the term of the agreement by giving Mr Ingham 3 months' notice or making a payment in lieu of the total remuneration the executive would have received during the remaining notice period. The Company may terminate the agreement without notice in the case of Mr Ingham's misconduct and other circumstance contrary to the interests of the Company.

Remuneration of directors and named executives

Table 1: Directors' remuneration for the years ended 30 June 2012 and 30 June 2011

		Short-term employee benefits				Post-employment benefits	Other long-term benefits	Equity		Performance Related Remuneration	Value of Options as a Proportion of
		Salary & Fees	Bonuses	Non-Monetary Benefits	Other			Share-based Payments	Total		
		\$	\$	\$	\$	\$	\$	\$	\$	%	%
T Adcock	2012	44,512	-	-	-	4,006	-	-	48,518	-	-
	2011	-	-	-	-	-	-	-	-	-	-
B Browning	2012	344,833	-	13,263	-	42,444	-	423,340	823,880	-	51
	2011	181,022	-	4,372	-	22,072	-	355,277	562,743	-	63
D Liddy	2012	9,603	-	-	-	864	-	-	10,467	-	-
	2011	-	-	-	-	-	-	-	-	-	-
P Martin	2012	10,913	-	-	-	982	-	-	11,895	-	-
	2011	-	-	-	-	-	-	-	-	-	-
J Toms	2012	55,046	-	-	-	4,954	-	-	60,000	-	-
	2011	-	-	-	-	-	-	48,880	48,880	-	100
M Barnaba	2012	32,037	-	-	-	2,883	-	-	34,920	-	-
	2011	-	-	-	-	-	-	-	-	-	-
J Battley	2012	204,446	-	-	-	32,072	-	-	236,518	-	-
	2011	-	-	-	-	-	-	-	-	-	-
B Plavsic	2012	205,677	-	-	-	11,652	-	329,725	547,054	-	60
	2011	166,134	-	3,262	-	8,866	-	266,458	444,720	-	60
N Revell	2012	-	-	-	-	-	-	-	-	-	-
	2011	55,111	-	329	-	4,842	-	-	60,282	-	-
J Terpu	2012	-	-	-	-	46,010	-	-	46,010	-	-
	2011	-	-	3,108	-	20,000	-	-	23,108	-	-
J Willinge	2012	32,214	-	-	-	-	-	-	32,214	-	-
	2011	-	-	-	-	-	-	-	-	-	-

Remuneration report (continued)

Remuneration of directors and named executives (continued)

Table 2: Remuneration of the 5 named executives who received the highest remuneration for the years ended 30 June 2012 and 30 June 2011

		Short-term employee benefits				Post-employment benefits		Other long-term benefits		Equity		Value of options as a proportion of remuneration
		Salary & Fees	Bonuses	Non-Monetary Benefits	Other	Superannuation	Long-service leave	Share-based payments (i)	Total	%		
Y Broughton	2012	292,514	-	-	-	17,090	-	246,905	556,508	44		
	2011	17,483	-	-	-	1,267	-	-	18,750	-		
T Oregan (ii)	2012	200,112	-	-	-	7,888	-	72,538	280,538	26		
	2011	-	-	-	-	-	-	-	-	-		
R Anderson (iii)	2012	40,706	-	-	25,000(iv)	2,629	-	-	68,336	-		
	2011	-	-	-	-	-	-	-	-	-		
J Ingham (iv)	2012	47,116	-	-	3,826(iv)	3,944	-	-	54,887	-		
	2011	-	-	-	-	-	-	-	-	-		
B Stewart	2012	170,203	-	-	-	14,233	-	46,917	231,353	20		
	2011	-	-	-	-	-	-	-	-	-		

(i) The assumptions used in the calculation of share-based payments are detailed in Note 22 to the Financial Statements

(ii) Mr Cregan's employment commenced on 2 January 2012

(iii) Mr Anderson's employment commenced on the 14 May 2012

(iv) Mr Ingham's employment commenced on the 16 April 2012

(v) Relates to a relocation assistance payment paid to Mr Anderson

(vi) Relates to a relocation assistance payment paid to Mr Ingham

Option plans in existence during the financial year

For details of employee share option plans in existence during the year, refer Note 19 to the Financial Statements.

For details on the valuation of the options, including models and assumptions used, refer to Note 22.

There were no alterations to the terms and conditions of options granted as remuneration since their grant date.

Table 3: Share-based compensation to directors and executives during the current financial year

Name	Date granted	No. granted during the year	No. vested options during the year	% of grant vested	% of grant forfeited	% compensation for year consisting of options
Robert Browning	8 July 2011	-	1,000,000	38	-	51
Bryant Plavsic	29 June 2011	-	800,000	40	-	60
Yasmin Broughton	1 November 2011	2,000,000	500,000	16	-	44
Tom Cregan	3 January 2012	2,000,000	-	-	-	26
Bruce Stewart	1 November 2011 1 January 2012	2,000,000	-	-	-	20

Options granted to directors and executives exercised or lapsed during the year: Nil

Other transactions

Where Directors had other transactions with the Company, particulars of those transactions, which do not form part of this Remuneration Report, are shown at Note 25(c) to the Financial Statements.

Proceedings on behalf of the Company

No persons have applied for leave pursuant to s.237 of the Corporation Act 2001 to bring, or intervene in, proceedings on behalf of Adept Solutions Limited.

Auditor Independence

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out after the Governance Statement on page the next page and forms part of this directors' report for the year ended 30 June 2012.

Non-Audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 3 to the financial statements. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Signed in accordance with a resolution of the directors.



Robert Browning
Non-executive Chairman

24 September 2012

Corporate Governance Statement

The Company is committed to implementing standards of corporate governance consistent with the ASX Corporate Governance Council's second edition Corporate Governance Principles and Recommendations (Recommendations). Where the Company's corporate governance practices do not correlate with the Recommendations, the Company does not currently regard it as appropriate due to the nature and size of the Company's operations and the Board's reasoning for any departure is explained.

Set out below are the fundamental corporate governance practices of the Company.

Principle 1 – Lay Solid Foundations for Management and Oversight

Role of the Board

The Board's role is to govern the Company and it has thereby established the functions reserved to the Board. The Board delegates to executive directors and senior executives the day-to-day management of the operations of the Company's business. In governing the Company, the Directors must act in the best interests of the Company as a whole. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a director of the Company.

Responsibilities of the Board

In general, the Board is ultimately responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company. The Board delegates authority to executive directors, senior executives and management to carry out delegated duties in support of the objectives of the Company.

The Board's functions and the functions delegated to executive directors and senior executives are set out in the Board Charter which is available on the Company's website (www.adeptsolutions.com.au) under "Corporate Governance".

The Board holds regular meetings and meets periodically throughout the year as required. Directors' attendance at meetings for the 2011-2012 financial year is set out in the Directors' Report.

The Board appoints person(s) to perform the functions of a Chief Executive Officer (CEO) and/or Managing Director (MD) with responsibility for the management of the Company in accordance with the directions and delegations of the Board. Senior executives may also be appointed to conduct these activities.

It is the role of those appointed in management roles to manage the Company in accordance with the direction and

delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

Performance Review/Evaluation

The process for reviewing the performance of senior executives is undertaken by the CEO/MD. The performance of senior executives is assessed by way of formal discussion. The performance of Executive Directors is reviewed annually against agreed performance criteria by the Remuneration and Nomination Committee together with external consultants as required.

The process for evaluating the performance of senior executives is set out in the Performance Evaluation Process which is available on the Company's website (www.adeptsolutions.com.au) under "Corporate Governance".

Principle 2 – Structure the Board to Add Value

The Board currently comprises 6 directors, the majority are independent Non-executive Directors. Mr Tom Cregan is an Executive Director and performs the role of Managing Director. Mr Robert Browning is currently a Non-executive Director, however he was an Executive Director for the year ended 30 June 2012.

Further details about the Directors including their skills, experience and terms in office at the date of this statement are set out in the Directors' Report.

The Company recognises the importance of Non-executive and independent Directors and the external perspective and advice that they can offer. The Board is committed to recruiting such Directors when warranted by the scale and advancement of its operations. Determination of independence is made with reference to factors set out in the Board Charter available on the Company's website (www.adeptsolutions.com.au) under "Corporate Governance".

Given the size and nature of the Company's operations, the Board feels the composition of the Board is appropriate at this stage.

Independent Professional Advice and Access to Information

Each Director has the right of access to all Company information and to Adept Solution's executives. Further, each Director and the Board collectively, subject to informing the Chairman, has the right to seek independent professional advice from a suitably qualified advisor, at the Company's expense, with the approval of the Chairman, to assist them to carry out their responsibilities. Where appropriate, a copy of this advice is to be made available to all other members of the Board.

Performance Review/Evaluation

The Board undertakes annually, a formal, collective self-assessment and review discussion to review the performance of the Board, its Committee(s) and individual Directors.

The process for evaluating the performance of the Board, its Committees and individual directors is set out in the Performance Evaluation Process which is available on the Company's website (www.adeptsolutions.com.au) under "Corporate Governance".

Principle 3 – Promote Ethical and Responsible Decision Making

Code of Conduct

As part of its commitment to recognising its legal obligations, the legitimate expectations of stakeholders and promoting practices necessary to maintain confidence in the Company's integrity, the Company has established a Code of Conduct. The Code aims to provide guidance to Directors, senior executives, management and employees on the standards of personal and corporate behaviour and the responsibility and accountability required of the Company's personnel for reporting and investigating unethical practices. The Code encourages and fosters a culture of integrity and responsibility with the focus of augmenting the Company's reputation as a valued employer, business partner and corporate citizen, in all our relationships.

A copy of the Code of Conduct is available on the Company's website (www.adeptsolutions.com.au) under "Corporate Governance".

Diversity Policy

The Company values diversity and recognises that promotion of diversity on boards, in senior management and within the organisation generally:

- broadens the pool for recruitment of high quality directors and employees;
- is likely to support employee retention;
- through the inclusion of different perspectives, is likely to encourage greater innovation; and

- is socially and economically responsible governance practice.

In accordance with this policy, the Board provides the following information pertaining to the proportion of women employees across the organisation at the date of this Report:

	Actual	
	Number	Percentage
Number of women employees in the whole organisation	16	39%
Number of women in senior executive positions	1	20%
Number of women on the Board	0	0%

A copy of the Diversity Policy is available on the Company's website (www.adeptsolutions.com.au) under "Corporate Governance".

Principle 4 - Safeguard Integrity in Financial Reporting

The Company has a financial reporting process which includes half year and full year results which are approved by the Board before they are released to the market.

Adept established an Audit and Risk Management Committee on 17 August 2011. The Committee consists of three members. The Chair, Mr John Toms, is a Non-executive Director and is not the Chair of the Board. A copy of the Audit & Risk Management Committee Charter is available on the Company's website (www.adeptsolutions.com.au) under "Corporate Governance".

The Board continually reviews the performance of the external auditor. Additionally the Corporations Act 2001 requires that the external audit partner is rotated every 5 years.

Principle 5 – Make Timely and Balanced Disclosure

The Company is committed to:

- ensuring that stakeholders have the opportunity to access externally available information issued by the Company;
- providing full and timely information to the market about the Company's activities; and
- complying with the obligations contained in the Corporations Act and the ASX Listing Rules relating to continuous disclosure.

The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure

of information to ASX as well as communicating with ASX.

The Board has established a written policy for ensuring compliance with ASX Listing Rule disclosure requirements and accountability at senior executive level for that compliance. A copy of the Continuous Disclosure Policy is available on the Company's website (www.adept solutions.com.au) under "Corporate Governance".

Principle 6 - Respect the Rights of Shareholders

The Company is committed to the promotion of investor confidence by ensuring that trade in the Company's securities takes place in an efficient, competitive and informed market.

The Company complies with the continuous disclosure obligations contained in the applicable ASX Listing Rules and in so doing will immediately notify the market by announcing to ASX in any information in relation to the business of the Company that a reasonable person would expect to have a material effect on, or lead to a substantial movement in, the price or value of the Company's securities. All information made available to the ASX is immediately available to shareholders and the market on the Company's website. The Company promotes effective communication with shareholders and encourages shareholder participation at annual general meetings.

The Company has established a communications strategy which is available on the Company's website (www.adept solutions.com.au) under "Corporate Governance".

Principle 7 - Recognise and Manage Risk

The Company is committed to the identification, monitoring and management of material business risks of its activities via its risk management framework.

The Company has identified and actively monitors a number of material business risks inherent in the industry in which the Company operates and the Company's risk management framework promotes a robust structure so that risks are appropriately identified, assessed, monitored, mitigated and reviewed wherever possible, across the Company. Assessment of all aspects of the risk management framework (including the comprehension of all 'material' business risks and a performance review of the Audit and Risk Management Committee) by the Board, takes place regularly.

The Company has established policies for the oversight and management of material business risks. Key components of the policy, which bring together procedures and controls within the Company, and elements of the risk management framework, are as follows:

- identification and assessment of all risks;
- monitoring and wherever possible, mitigation, of identified risks;
- maintain internal control systems;

- periodic reporting;
- reporting on any special investigations as required by the Board of the Company;
- maintaining the risk policy framework; and
- assessment of the effectiveness of the risk management framework.

A copy of the Risk Management Policy is available on the Company's website (www.adept solutions.com.au) under "Corporate Governance".

The Board has received written assurance from the persons performing the CEO and Chief Financial Officer roles, that to the best of their knowledge and belief, the declaration provided to the Board in accordance with section 295A of the Corporations Act 2001 is founded on a sound system of risk management and internal control, and that the system is operating effectively in relation to financial reporting risks.

Principle 8 - Remunerate Fairly and Responsibly

Adept established a Remuneration and Nomination Committee (**RNC**) on 30 August 2011. The RNC consists of three members and the Chair, Mr Tony Adcock, is a Non-executive Director and is not the Chair of the Board. Two members of the RNC are non-executive directors.

Remuneration Report and Remuneration Policies

The Board has established a policy to ensure that it remunerates fairly and responsibly. The remuneration philosophy of the Board is designed to ensure that the level and composition of remuneration is competitive, reasonable and appropriate for the results delivered and to attract and maintain talented and motivated directors and employees.

Non-executive directors' fees are determined within an aggregate Directors' fee pool limit, which will be periodically approved by shareholders in general meeting. Non-executive directors of the Company are entitled to participate in any equity plan of the Company where it is considered an appropriate element of remuneration in situations when the Non-executive's skills and experiences are recognised as important to the Company's future development. Non-executive Directors of the Company do not receive retirement benefits, other than statutory superannuation entitlements.

A copy of the Remuneration and Nomination Policy and Committee Charter is available on the Company's website (www.adept solutions.com.au) under "Corporate Governance".

Further details on the structure of Executive Directors, Non-executive Directors and senior executives' remuneration are set out in the remuneration report forming part of the Directors' Report.

Trading in Securities

The Company has adopted a securities trading policy for the Directors, Senior Executives, employees, consultants and contractors of the Company which is appropriate for a Company whose shares are admitted to trading on the ASX.

A copy of the securities trading policy is available on the Company's website (www.adeptsolutions.com.au) under "Corporate Governance".

Personnel of the Company are not permitted to enter into transactions with securities (or any derivative thereof) which limit the economic risk of any unvested entitlements awarded under any equity-based remuneration scheme, or otherwise awarded, or which will be offered by the Company in the future.

Departure from Best Practice Recommendations

From 1 July 2011 to 30 June 2012, the Company complied with the Recommendations published by the ASX Corporate Governance Council, other than the Recommendations specified in the table below:

Recommendation	Notice of departure	Explanation from departure
2.1	A majority of the Board are not independent directors.	The Board believes that the individuals on the Board can, and do, make quality and independent judgments in the best interests of the Company on all relevant issues. Given the size and nature of the Company, the Board believes that the composition of the Board is appropriate at the current time.
2.2	The chair is not an independent chair.	The Chairman is not classed as independent because he was an executive of the company. This does not impact on his ability to oversee or assist the executives in their management of the Company.
3.3	The Company has not complied in setting measurable objectives for achieving gender diversity.	The Board continues to monitor diversity across the organisation and is satisfied with the current level of gender diversity within the Company as disclosed above. Due to the size of the Company and its small number of employees, the Board does not consider it appropriate at this time, to formally set measurable objectives for gender diversity.
8.2	The Remuneration and Nomination Committee is not structured so that it consists of a majority of independent directors.	The Board believes that the individuals on the Committee can, and do, make quality and independent judgements in the best interests of the Company.



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Adept Solutions Limited for the year ended 30 June 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

This declaration is in respect of Adept Solutions Limited.

A handwritten signature in blue ink, appearing to read 'M R W OHM', is positioned above the printed name and title.

Perth, Western Australia
24 September 2012

M R W OHM
Partner, HLB Mann Judd

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HLB Mann Judd (WA Partnership) is a member of  HLB International, a worldwide organisation of accounting firms and business advisers.

Statement of Comprehensive Income

For the year ended 30 June 2012

	Notes	Consolidated	
		2012	2011
		\$	\$
Revenue	2	3,771,285	205,029
Expenses			
Consumables used		371,841	-
Employee benefits expense		4,660,852	508,253
Acquisition-related expenses			
- Cash payments		-	925,280
- Share-based payments		137,647	741,754
Share-based payments			
- Directors and executives		1,119,424	48,880
- Advisory group		-	647,242
- Consulting fees		50,000	780,000
- Employees		22,280	-
Depreciation and amortisation expense	11,27	2,032,355	3,086
Impairment of assets	9,12	1,629,511	448,185
Interest expense		4,219	-
Loss on disposal of fixed assets		-	2,097
Other expenses	2	4,167,601	1,256,538
Total expenses		14,195,730	5,361,315
Loss before income tax		(10,424,445)	(5,156,286)
Income tax benefit	4	397,110	-
Net loss for the year		(10,027,335)	(5,156,286)
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year		(10,027,335)	(5,156,286)
Loss per share (cents per share)	5	16.11	15.19

Diluted loss per share is not shown as it is not materially different to basic loss per share.

The accompanying notes form part of these financial statements

Statement of Financial Position

For the year ended 30 June 2012

	Notes	Consolidated	
		2012	2011
		\$	\$
Current Assets			
Cash and cash equivalents	6	2,289,472	10,317,609
Other receivables	7	680,187	543,790
Other assets	8	535,713	1,704,470
		3,505,372	12,565,869
Assets classified as held for sale	9	-	1,349,493
Total Current Assets		3,505,372	13,915,362
Non-Current Assets			
Other receivables	10	422,263	28,761
Plant and equipment	11	773,898	7,684
Exploration and evaluation expenditure	12	-	914,607
Goodwill	27	10,777,373	-
Intangibles	27	1,376,523	-
Total Non-Current Assets		13,350,057	951,052
Total Assets		16,855,429	14,866,414
Current Liabilities			
Trade and other payables	13	721,219	886,798
Borrowings	15	398,266	-
Employee benefits	14	344,472	21,806
Provisions	16	108,827	-
Other current liabilities	17	-	9,870,200
Total Current Liabilities		1,572,784	10,778,804
Non-Current Liabilities			
Deferred income	18	-	59,000
Other non-current liabilities		320,143	-
Total Non-Current Liabilities		320,143	59,000
Total Liabilities		1,892,927	10,837,804
Net Assets		14,962,502	4,028,610
Equity			
Issued capital	19	34,810,591	15,128,715
Reserves	20	1,604,787	325,436
Accumulated losses		(21,452,876)	(11,425,541)
Total Equity		14,962,502	4,028,610

The accompanying notes form part of these financial statements

Statement of Cash Flows

For the year ended 30 June 2012

	Notes	Consolidated	
		2012	2011
		\$	\$
Cash Flows From Operating Activities			
Receipts from customers		2,547,100	-
Payments to suppliers and employees		(9,849,744)	(1,742,126)
R & D tax offset refunded		-	147,149
Interest received		798,592	196,404
Interest paid		(4,219)	-
Acquisition – related expenses		-	(237,499)
Net cash used in operating activities	23	(6,508,271)	(1,636,072)
Cash Flows From Investing Activities			
Payments for plant and equipment		(870,159)	(7,579)
Payments for intangibles		(272,398)	-
Proceeds from sale of mining tenements		475,000	-
Payments for exploration and evaluation expenditure		(44,419)	(409,289)
Payments for deposits placed		(401,762)	-
Exploration tenement guarantees (paid)/recouped		-	(13,500)
Loan to Emerchants Limited		-	(500,000)
Payment for subsidiary, net of cash acquired	26	(499,901)	-
Payments to the vendors for the acquisition of Emerchants Limited	26	-	(1,664,124)
Net cash used in investing activities		(1,613,639)	(2,594,492)
Cash Flows From Financing Activities			
Issue of shares and options		134,764	3,363,290
Share application monies received		-	9,870,200
Capital raising costs		(40,991)	(439,001)
Net cash provided by financing activities		93,773	12,794,489
Net (decrease)/increase in cash held		(8,028,137)	8,563,925
Cash at beginning of year		10,317,609	1,753,684
Cash at end of year	6	2,289,472	10,317,609

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2012

	Notes	Issued Capital	Accumulated Losses	Reserves	Total
		\$	\$	\$	\$
Balance at 1 July 2010		10,259,958	(6,269,255)	52,028	4,042,731
Total comprehensive income					
- Loss for the period		-	(5,156,286)	-	(5,156,286)
- Other comprehensive income		-	-	-	-
Transactions recorded directly in equity					
- Share-based payments		2,256,977	-	175,899	2,432,876
- Issue of share capital		3,248,290	-	-	3,248,290
- Issue of options		-	-	115,000	115,000
- Transfer on conversion of options		17,491	-	(17,491)	-
- Issue costs		(654,001)	-	-	(654,001)
Balance at 30 June 2011		15,128,715	(11,425,541)	325,436	4,028,610
Balance at 1 July 2011		15,128,715	(11,425,541)	325,436	4,028,610
Total comprehensive income					
- Loss for the period		-	(10,027,335)	-	(10,027,335)
- Other comprehensive income		-	-	-	-
Transactions recorded directly in equity					
- Share-based payments		50,000	-	1,279,351	1,329,351
- Shares issued to vendors of Emerchants Limited	26	9,775,000	-	-	9,775,000
- Issue of share capital	19	10,000,000	-	-	10,000,000
- Exercise of options		4,964	-	-	4,964
- Issue costs		(148,088)	-	-	(148,088)
Balance at 30 June 2012		34,810,591	(21,452,876)	1,604,787	14,962,502

The accompanying notes form part of these financial statements

Notes

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

Adept Solutions Limited (**Company**), formerly known as Australasia Consolidated Limited until 29 June 2011 and Australasia Gold Limited until 27 July 2010, is a company incorporated and domiciled in Australia. The consolidated financial report of the Company for the year ended 30 June 2012 comprises the Company and its subsidiaries (together referred to as the Group or consolidated entity).

(b) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the consolidated entity consisting of Adept Solutions Limited and its subsidiaries.

The financial report has also been prepared on a historical cost basis except where otherwise stated. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars.

The Company is a listed public company, incorporated in Australia and operating in Australia. The entity's principal activities are the provision of payment services.

(c) Adoption of new and revised standards and Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2012, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

The following new and revised Standards and Interpretations have been adopted in the current year.

Standards affecting presentation and disclosure

Amendments to AASB 7 'Financial Instruments: Disclosure'	The amendments (part of AASB 2010-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project') clarify the required level of disclosures about credit risk and collateral held and provide relief from disclosures previously required regarding negotiated loans.
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Amendments to AASB 101 'Presentation of Financial Statements'	The amendments arising under AASB 2010-4 clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.
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AASB 1054 'Australian Additional Disclosures'	AASB 1054 sets out the Australian-specific disclosures for entities that have adopted Australian Accounting Standards. This Standard contains disclosure requirements that are in addition to IFRSs in areas such as compliance with Australian Accounting Standards, the nature of financial statements (general purpose or special purpose), audit fees, imputation (franking) credits and the reconciliation of net operating cash flow to profit (loss).
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AASB 124 'Related Party Disclosures' (revised December 2009)	AASB 124 (revised December 2009) has been revised on the following two aspects: a) AASB 124 (revised December 2009) has changed the definition of a related party and b) AASB 124 (revised December 2009) introduces a partial exemption from the disclosure requirements for government-related entities.
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Standards and Interpretations affecting the reported results or financial position

There are no new and revised Standards and Interpretations adopted in these financial statements affecting the reported results or financial position.

Standards and Interpretations adopted with no effect on the financial statements

It has been determined by the Group that there is no impact, material or otherwise, of any other new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2012. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

(d) Statement of compliance

The financial report was authorised for issue on the date the Directors' Report and Directors' Declaration were signed.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(e) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Adept Solutions Limited ('Company' or 'Parent Entity') as at 30 June 2012 and the results of all subsidiaries for the year then ended. Adept Solutions Limited and its subsidiaries are referred to in this financial report as the Group or the consolidated entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

Business combinations are accounted for using the acquisition method of accounting.

(f) Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are

considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Impairment of goodwill and intangibles with indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired on at least an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the goodwill and intangibles with indefinite useful lives are allocated. The assumptions used in this estimation of recoverable amount and the carrying amount of goodwill and intangibles with indefinite useful lives are discussed in Note 27.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black and Scholes model, using the assumptions detailed in Note 22.

Exploration and evaluation costs carried forward

In accordance with accounting policy Note 1 (ae), management determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. In determining this, assumptions including the maintenance of title, ongoing expenditure and prospectivity are made. See Note 12 for disclosure of carrying values.

Breakage income

Breakage income or Termination fees are recognised over the life of non-reloadable cardholder accounts based on agreed terms and the residual percentage of the initial load amount that is expected to be left on a card upon expiry.

Recovery of deferred tax assets

Deferred tax assets are currently not recognised in the financial statements but will be subject to ongoing review.

(g) Going Concern

Notwithstanding the fact that the Company incurred a Net Loss for the year of \$10,027,335 and has Cash and cash equivalents on hand of \$2,289,472 at the reporting date, the directors are of the opinion that the Company is a going concern for the following reasons:

The net loss for the year incorporates a significant amount of non-cash items such as share-based payments (\$1,329,351),

depreciation and amortisation expense (\$2,032,355) and impairment of assets (\$1,629,511) which comprises a substantial proportion of total expenses. The directors consider the company is able to raise additional capital if considered necessary such as occurred subsequent to year end where the Company raised \$2,664,114 of equity capital via an issue of ordinary shares at \$0.09. The funds raised will be used to meet the ongoing working capital requirements of the Company.

The directors also anticipate that the Company will continue to grow its revenues strongly in FY13 and that the growth in revenues will significantly exceed the growth in costs in FY13. The directors believe the Company has sufficient funds to continue to operate as a going concern for the foreseeable future.

(h) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Adept Solutions Limited.

(i) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of goods

Revenue is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Rendering of services

Revenue from the rendering of services is recognised by

reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- Contract income and termination fees are recognised by reference to the expired service period of the contract at the end of the reporting period relative to the total service period of the contract;
- Servicing and transaction fees are recognised by reference to the proportion of the total cost of providing the service for the product sold; and
- Revenue from time and material contracts are recognised at the contractual rates as labour hours are delivered and direct expenses are incurred.

(iii) Interest income

- Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets' net carrying amount on initial recognition.

(j) Government grants

Government grants are assistance by government in the form of transfers of resources to the Group in return for past or future compliance with certain conditions relating to the operating activities of the entity.

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and the grant will be received. Government grants whose primary condition is to assist with exploration activities are recognised as deferred income in the Statement of Financial Position and recognised as income in the Statement of Comprehensive Income on a systematic basis when the related exploration and evaluation is written off.

Other government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate on a systematic basis.

Government grants receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised as income in the period in which it becomes receivable.

(k) Leases

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in

which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(I) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and

unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

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

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

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

Tax consolidation legislation

Adept Solutions Limited and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

Adept Solutions Limited recognises both its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated group.

(m) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(n) Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or business under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate

used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified as either equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(o) Impairment of tangible and intangible assets other than goodwill

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(p) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject

to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(q) Trade and other receivables

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

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

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

(r) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a

disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of the disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

(s) Financial assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end. All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the

investments are derecognised or impaired, as well as through the amortisation process.

If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

(iii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(iv) *Available-for-sale investments*

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

(t) Derecognition of financial assets and financial liabilities

(i) *Financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:

- (a) has transferred substantially all the risks and rewards of the asset, or

- (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) *Financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(u) Impairment of financial assets

The Group assesses at each balance date whether a financial asset or group of financial assets is impaired.

(i) *Financial assets carried at amortised cost*

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant

or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(ii) *Financial assets carried at cost*

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset.

(iii) *Available-for-sale investments*

If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the statement of comprehensive income. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit or loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

(v) **Plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

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

Computer Equipment – over 4 years
Office Equipment – over 10 years
Leasehold Improvements – over 6 to 7 years
Low Value Pool – over 2 to 3 years

The assets' residual values, useful lives and amortisation

methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) *Impairment*

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

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of comprehensive income in the cost of sales line item.

(ii) *Derecognition and disposal*

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

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

(w) **Goodwill**

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with AASB 8 *Operating Segments*.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. When the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash-generating unit (group of cash-generating units) and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained. Impairment losses recognised for goodwill are not subsequently reversed.

(x) Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Internally generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated: The technical feasibility of completing the intangible asset so that it will be available for use or sale;

- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Intangible assets acquired in a business combination.

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

The following useful lives are used in the calculation of amortisation:

Restraint of trade	12 months
Edge Contract	12 months
Capitalised development	5 years

(y) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(z) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(aa) Employee leave benefits

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the balance date are recognised in other payables in respect of employees' services up to the balance date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the balance date. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the balance date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(ab) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to directors and employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

There are currently two plans in place to provide these benefits:

- the Employee Share Option Plan (ESOP 1)
- the Employee Share Option Plan (ESOP 2)

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a

Black-Scholes model, further details of which are given in Note 22.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Adept Solutions Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant director or employee becomes fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the director or employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(ac) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

(ad) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(ae) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

- (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- (b) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the

relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(af) Joint ventures

Interests in jointly controlled assets and operations are reported in the financial statements by including the Group's share of assets employed in the joint ventures, the share of liabilities incurred in relation to the joint ventures and the share of any expenses incurred in relation to the joint ventures in their respective classification categories.

(ag) Parent entity financial information

The financial information for the parent entity, Adept Solutions Limited, disclosed in Note 33 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries

Investments in subsidiaries and entities are accounted for at cost in the financial statements of Adept Solutions Limited.

(ii) Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

NOTE 2 REVENUE AND EXPENSES

	Consolidated	
	2012	2011
	\$	\$
(a) Revenue		
Establishment and termination fees	1,710,383	-
Transaction fees	1,262,310	-
Interest received – host based stored value	533,256	-
Interest received – other entities	265,336	205,029
	3,771,285	205,029
(b) Other expenses include		
Consultancy and advisory services	539,134	136,164
Travel and entertainment	625,069	299,476
Advertising	138,458	63,699
Rent and Buildings	442,688	11,287
Recruitment	450,205	46,111
Software subscriptions and support	407,669	-
Outsourced administration services	350,000	540,000

NOTE 3 AUDITOR'S REMUNERATION

	2012	2011
	\$	\$
The auditor of Adept Solutions Limited is HLB Mann Judd.		
Auditor of the parent entity		
Audit or review of the financial reports	57,500	29,450
Other services - review of financial information contained in the prospectus	6,200	-
	63,700	29,450
Network firm of the parent company auditor		
Audit or review of the financial statements of subsidiary	11,250	-
Other services	-	-
	11,250	-
Other Firm - BDO Audit Pty Ltd		
Audit or review of the financial statements of subsidiary	33,279	-
Other services - Review of Cardholders funds accounts required under agreements with existing Authorised Deposit-taking Institutions.	7,100	-
	40,379	-

NOTE 4 INCOME TAX BENEFIT**(a) Recognised in the statement of comprehensive income**

	Consolidated	
	2012	2011
	\$	\$
Current income tax expense	-	-
Deferred tax expense relating to the origination and reversal of temporary differences	-	-
Refundable R & D tax offset	397,110	-
Total income tax benefit	397,110	-

(b) Reconciliation between income tax expense and pre-tax profit/(loss)

Loss before income tax	(10,424,445)	(5,156,286)
Income tax using the domestic corporation tax rate of 30% (2011: 30%)	(3,127,334)	(1,546,886)
Tax effect of:		
Prior year adjustments	314,629	-
Non-deductible expenses	396,636	677,741
Unused tax losses and temporary differences not recognised as deferred tax assets	2,416,069	869,145
Refundable R&D tax offset	397,110	-
Income tax benefit	397,110	-

(c) Unrecognised deferred tax balances

Deferred tax assets and (liabilities) calculated at 30% (2011: 30%) have not been recognised in respect of the following:

Income tax losses	4,826,023	2,734,264
Temporary differences	440,704	(267,071)
	5,266,727	2,467,193

Deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets (and deferred tax liabilities relating to capitalised exploration expenditure for which immediate tax write-off is available) have not been recognised in the financial statements.

NOTE 5 LOSS PER SHARE

	Consolidated	
	2012	2011
	Cents per share	Cents per share
Basic loss per share – post-consolidation	16.11	15.19
Weighted average number of post-consolidation ordinary shares used in calculation of earnings per share	62,236,822	33,945,267
Loss used in calculation of basic loss per share	(10,027,335)	(5,156,286)

Diluted loss per share is not presented as the entity does not have on issue any dilutive potential ordinary shares.

NOTE 6 CASH AND CASH EQUIVALENTS

	Consolidated	
	2012 \$	2011 \$
Cash on hand and at bank	2,289,472	10,317,609

Cash at bank earns interest at floating rates on daily bank deposit rates.

NOTE 7 OTHER RECEIVABLES – CURRENT

	Consolidated	
	2012 \$	2011 \$
Secured loan to Emerchants Limited (i)	-	512,163
Refundable R & D tax offset	422,110	-
Other receivables (ii)	258,077	31,627
	680,187	543,790

(i) Secured loan facility of \$500,000 provided to Emerchants Limited (*emergants*) during the prior financial year.

(ii) Included in Other receivables is an amount of \$125,000, payable by Crocodile Gold Limited under a sale agreement for the sale of Adept's interest in its Northern Territory mining interests. This amount is payable subject to the Northern Territory's Mines Minister confirming existing mineral claims to mineral leases. The approval is considered virtually certain (refer Note 8).

No receivables are past due.

NOTE 8 OTHER ASSETS

	Consolidated	
	2012 \$	2011 \$
Accrued breakage fees (i)	425,593	-
Payments to the vendors for the acquisition of <i>emergants</i>	-	1,664,124
Prepaid insurance expenses	39,965	40,346
Other	70,155	-
	535,713	1,704,470

(i) Accrued breakage represents the portion of expired funds that *emergants* expects to receive when a card expires.

NOTE 9 NON-CURRENT ASSETS HELD FOR SALE

	Consolidated	
	2012 \$	2011 \$
Exploration & evaluation expenditure	-	1,349,493

During the period the Company sold its Northern Territory assets. Under the terms of the sale, the assets were sold for \$1,000,000 plus 1% royalties. Adept received proceeds of \$475,000 during the current year and has accounted for a further \$125,000 as a

current receivable. The remaining \$400,000 has been written off as the subsequent proceeds are dependent on the purchaser entering the asset into production and therefore does not meet the virtually certain criteria for recognition as a contingent asset.

NOTE 10 OTHER RECEIVABLES – NON CURRENT

	2012 \$	2011 \$
Exploration tenement guarantees	-	28,761
Deposit	422,263	-
	422,263	28,761

NOTE 11 PLANT AND EQUIPMENT

The useful life of the assets was estimated as follows for both 2011 and 2012:

Computer Equipment	4 years
Office Equipment	10 years
Leasehold Improvements	6 – 7 years
Low Value Pool	2 - 3 years

	Consolidated				
	Computer Equipment	Office Equipment	Leasehold Improvements	Low Value Pool	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2012					
At 1 July 2011, net of accumulated depreciation and impairment	5,842	1,842	-	-	7,684
Additions	442,371	61,079	412,414	-	915,864
Disposals	(45,706)	-	-	-	(45,706)
Reclassification	983	(983)	-	-	-
Acquired through business combinations	48,170	11,713	23,573	9,754	93,210
Depreciation charge for the year	(112,678)	(5,939)	(74,217)	(4,320)	(197,154)
At 30 June 2012, net of accumulated depreciation and impairment	338,982	67,712	361,770	5,434	773,898
At 1 July 2011					
Cost or fair value	13,024	6,188	-	-	19,212
Accumulated depreciation and impairment	(7,182)	(4,346)	-	-	(11,528)
Net carrying amount	5,842	1,842	-	-	7,684
At 30 June 2012					
Cost or fair value	526,944	87,875	412,414	23,041	1,050,274

	Consolidated				
	Computer Equipment	Office Equipment	Leasehold Improvements	Low Value Pool	Total
	\$	\$	\$	\$	\$
Accumulated depreciation and impairment	(187,962)	(20,163)	(50,644)	(17,607)	(276,376)
Net carrying amount	338,982	67,712	361,770	5,434	773,898

Year ended 30 June 2011

At 1 July 2010, net of accumulated depreciation and impairment	2,013	3,276	-	-	5,288
Additions	6,289	1,290	-	-	7,579
Disposals	-	(2,097)	-	-	(2,097)
Depreciation charge for the year	(2,460)	(627)	-	-	(3,086)
At 30 June 2011, net of accumulated depreciation and impairment	5,842	1,842	-	-	7,684

At 1 July 2010

Cost or fair value	11,583	9,440	-	-	21,023
Accumulated depreciation and impairment	(9,570)	(6,165)	-	-	(15,735)
Net carrying amount	2,013	3,275	-	-	5,288

At 30 June 2011

Cost or fair value	13,024	6,188	-	-	19,212
Accumulated depreciation and impairment	(7,182)	(4,346)	-	-	(11,528)
Net carrying amount	5,842	1,842	-	-	7,684

NOTE 12 EXPLORATION & EVALUATION EXPENDITURE

	Consolidated	
	2012 \$	2011 \$
Cost brought forward in respect of areas of interest in the exploration and evaluation stage	914,607	2,293,045
Expenditure incurred and capitalised during the year	909	419,240
Expenditure written off during the year	(915,516)	(448,185)
Transfer to assets classified as held for sale (refer Note 9)	-	(1,349,493)
Cost carried forward	-	914,607

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on successful development and commercial exploitation or sale of respective areas. As the Company is now entirely focused on the provision of payment services and is not undertaking significant operations regarding its existing mining tenements, the tenements have been written off.

NOTE 13 PAYABLES

	Consolidated	
	2012 \$	2011 \$
Trade and other payables	721,219	831,858
Related party payables	-	54,940
	721,219	886,798

All payables are non-interest bearing and are normally settled on 30 day terms.

NOTE 14 EMPLOYEE BENEFITS – CURRENT

	Consolidated	
	2012 \$	2011 \$
Employee entitlements	344,472	21,806

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1 (aa).

NOTE 15 BORROWINGS

		Consolidated	
		2012 \$	2011 \$
V Selochan	(i)	50,000	-
Globetrotter Group Pty Ltd	(ii)	348,266	-
		398,266	-

(i) The loan from V Selochan is an unsecured non-interest bearing loan repayable at the discretion of Emerchants Ltd.

(ii) The loan from Globetrotter Group Pty Ltd (**Globetrotter Group**) is an unsecured non-interest bearing loan repayable in the ordinary course of *emergants* business.

Litigation*Claim by Globetrotter Group*

Globetrotter Group has commenced legal proceedings in the District Court of Western Australia against *emergants* for the amount of \$378,406.87 (incorporating interest on the principal) in respect of management services fees provided to the Company by Globetrotter Group and a loan from Globetrotter Group to the Company. The dispute is related to the expected timing of payment to Globetrotter Group and whether such payment should be offset against the Company's claims against Globetrotter Group in respect of warranties given by it to the Company under the Share Purchase Deed for the acquisition by the Company of shares in *emergants*. Globetrotter Group's claim is disputed by *emergants* and interest has not been accounted for, as the principle was non-interest bearing.

Claim against Globetrotter Group and the Vendors

The Company has commenced legal proceedings in the Supreme Court of Western Australia against Globetrotter Group Pty Ltd, Emerchants Holdings Limited, John Richard Battley, Richard Thomas Ferguson and Anthony Thomas Ferguson, in

respect of warranties given by it to the Company under the Share Purchase Deed for the acquisition by the Company of shares in *emERCHANTS*. The Company is seeking damages in the amount of approximately \$240,000 plus interest and costs. This amount has not been offset against the loan from the Globetrotter Group or accounted for elsewhere in the in the Groups' financial statements.

NOTE 16 PROVISIONS - CURRENT

	Consolidated	
	2012 \$	2011 \$
Provisions	108,827	-

The provision represents the Group's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for breakage payable and Customer card deposits.

NOTE 17 OTHER CURRENT LIABILITIES

	Consolidated	
	2012 \$	2011 \$
Share application monies received	-	9,870,200

NOTE 18 DEFERRED INCOME

	Consolidated	
	2012 \$	2011 \$
Deferred income	-	59,000

NOTE 19 ISSUED CAPITAL

	Consolidated	
	2012 \$	2011 \$
62,772,334 fully paid ordinary shares (2011: 37,879,475)	34,810,591	15,128,715

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	2012		2011	
	No.	\$	No.	\$
Movement in issued shares for the year				
Balance at beginning of the financial year	37,879,475	15,128,715	25,051,100	10,259,958
Issued for cash	11,764,715	10,000,000	6,107,665	1,587,992
Shares issued for the acquisition of a subsidiary	11,500,000	9,775,000	-	-
Share based payments to Directors & executives *	731,453	-	-	1,268,977
Share based payments to Advisory group *	739,705	-	-	-
Share-based payment for consulting services	147,059	50,000	2,600,000	780,000
Share-based payment for share issue costs	-	-	800,000	208,000
Options exercised	9,927	4,964	3,320,595	1,677,789
Costs associated with the issue of shares	-	(148,088)	-	(654,001)
Balance at end of the financial year	62,772,344	34,810,591	37,879,360	15,128,715
Number of fully paid ordinary shares reflecting 5:1 consolidation			37,879,475	

* Relates to issue of 1,471,158 fully paid ordinary post-consolidation shares to Directors and Advisory Group members approved by shareholders at the Extraordinary General Meeting held on 29 June 2011 (grant date). The issue of shares was effected 8 July 2011 and accordingly the number of shares was included in the current financial year. The services had been provided to the Company by 30 June 2011 and accordingly the expense was recognised in the prior financial year.

Subsequent to year end the Company issued:

- 15,692,942 fully paid shares issued 26 July 2012 at a price of \$0.09 for a total of \$1,412,364 being the fully subscribed renounceable Rights Issue entitling existing shareholders to subscribe for new shares on the basis of 1 new share for every 4 shares held at 20 June 2012 (see Note 34).
- 13,908,328 fully paid ordinary shares issued at a price of \$0.09 on 2 August 2012 to raise \$1,251,750 which comprised a placement of \$1,100,000 and additional oversubscriptions of \$151,750 (see Note 34).

	Consolidated	
	2012 \$	2011 \$
Options over ordinary shares	No.	No.
Options on issue at beginning of period	27,788,658	27,546,101
Options issued during the year	12,970,000	130,000,000
Options exercised during the year	(9,927)	(16,602,973)
Options cancelled during the year	(933,332)	(16,602,973)
Options expired during the year	(54,000)	(2,000,000)
Options on issue at end of period	39,761,399	138,943,128
Number of options reflecting 5:1 consolidation		27,788,658

	2012	
	Exercise Price	Number under Option
31 Oct 12	\$0.60	15,000
31 Dec 12	\$0.55	30,000
19 Apr 13	\$0.50	26,079,731
1 Jun 14	\$1.30	666,668
18 Jul 14	\$1.45	4,800,000
18 Jul 14	\$1.45	1,200,000
2 Nov 12	\$0.85	3,970,000
5 Jan 15	\$0.50	2,000,000
4 Feb 15	\$0.50	1,000,000
		39,761,399

On 21 August 2012 the board granted the issue of 12,000,000 performance based options to take up fully paid ordinary shares of the Company to Executives and other staff.

NOTE 20 RESERVES

	Consolidated	
	2012 \$	2011 \$
Option reserve		
Balance at beginning of the financial year	325,436	52,028
Share-based payments	1,279,351	175,899
Issue of options	-	115,000
Transfer on conversion of options	-	(17,491)
Balance at end of the financial year	1,604,787	325,436

The option reserve arises on the grant and/or issue of share options. Amounts are transferred out of the reserve to accumulated losses when the options lapse or expire. When options are exercised, amounts carried in the reserve related to those particular options are dealt with based on their origination. If cash-related those amounts may be transferred out of the reserve to issued capital. If not cash-related the amounts are transferred out of the reserve to accumulated losses.

NOTE 21 SHARE OPTION PLANS**(a) Employee Share Option Plan (1) ("ESOP 1")**

The Group has an equity-based compensation plan for employees which has been in existence since December 2006. In accordance with the provisions of ESOP 1, as approved by shareholders at an Annual General Meeting, directors may issue options to purchase shares in the Company to employees at an issue price determined by the market price of ordinary shares at the time the option is granted. No directors participate in ESOP 1.

In accordance with the terms of ESOP 1, options vest at grant date and may be exercised at any time from the date of their issue to the date of their expiry.

The share options are not listed, carry no rights to dividends and no voting rights.

(b) Employee Share Option Plan (2) ("ESOP 2")

The Group established an equity-based compensation plan for employees which was approved by shareholders at an Extraordinary General Meeting held on 29 June 2011. ESOP 2 is open to any person who is a full-time or permanent part-time employee or Director of the Company or a related body corporate of the Company. Options may not be granted to a Director or his or her associates under ESOP 2 unless approval of the grant is given by shareholders in general meeting in accordance with the requirements of the Listing Rules.

The Board has broad discretion under ESOP 2, including (without limitation) as to:

- (a) the timing of making an offer to participate in ESOP 2;
- (b) identifying persons eligible to participate in ESOP 2; and
- (c) the terms of issue of options (including vesting conditions, if any).

The share options are not listed, carry no rights to dividends and no voting rights. The contractual life of each option granted commenced on 29 June 2011 and has various expiry dates as detailed below. There are no cash settlement alternatives.

The expense recognised in the statement of comprehensive income in relation to share-based payments made under ESOP 2 is \$1,279,351 (2011: \$48,880).

The following share-based payment arrangements were in existence during the period:

Options – Series	Post-consolidation number	Grant Date	Expiry Date	Post-consolidation Exercise Price	Fair value at grant date
ESOP 1					
November 2007	15,000	07/11/2007	31/10/2012	\$0.60	\$0.6685
April 2008	30,000	28/04/2008	31/12/2012	\$0.55	\$0.4310
	Post-consolidation Number	Grant Date	Expiry Date	Post-consolidation Exercise Price	Post-consolidation Fair value at grant date
ESOP 2					
June 2011	200,000	29/06/2011	18/07/2014	\$1.45	\$0.2444
June 2011*	5,800,000	29/06/2011	18/07/2014	\$1.45	\$0.2444
November 2011	3,970,000	01/11/2011	30/09/2012	\$0.85	\$0.0319
January 2012	2,000,000	03/01/2012	05/01/2015	\$0.50	\$0.2188
February 2012	1,000,000	01/02/2012	04/02/2015	\$0.50	\$0.1721

The weighted average of fair value of options granted during the year under ESOP 2 is \$0.1056 per option (2011: \$0.2444).

* Relates to options with vesting conditions which were granted on 29 June 2011 under ESOP 2 by shareholder approval given on that date. Although not issued until 8 July 2011, those options, having been granted before balance date, are included above but not in the schedule of 2011 financial year movements in the table below.

The following reconciles outstanding issued share options at the beginning and end of the financial year:

	Consolidated			
	2012		2011	
	Post-consolidation number of options	Weighted average exercise price \$	Post-consolidation Number of options	Weighted average exercise price \$
Balance at beginning of financial year	99,000	\$0.6727	99,000	\$0.6727
Issued during the financial year	12,970,000	\$1.0466	-	-
Exercised during the financial year (i)	-	-	-	-
Lapsed during the financial year	(54,000)	(\$1.0000)	-	-
Balance at end of the financial year (ii)	13,015,000	\$1.0449	99,000	\$0.6727

(i) Options exercised

No share options granted under the plans were exercised during the financial year.

(ii) Options outstanding at end of the financial year:

Issued share options outstanding at the end of the financial year had a weighted average exercise price of \$1.0449 (2011: \$0.6727) and a weighted average remaining contractual life of 530 days (2011: 355 days).

NOTE 22 SHARE-BASED PAYMENTS

The fair value of equity-settled share options is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

	Directors and Executives	Consultant	ESOP	CEO award	CFO award
Dividend yield (%)	0%	0%	0%	0%	0%
Expected volatility (%)	70%	70%	70%	135%	136%
Risk-free interest rate (%)	5.29%	5.29%	4.76%	4.76%	4.76%
Expected life of option (years)	3.05 years	3.02 years	1.01 years	3.01 years	3.01 years
Exercise price	\$1.45	\$1.30	\$0.85	\$0.50	\$0.50
Grant date share price	\$0.85	\$1.075	\$0.43	\$0.37	\$0.30

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

NOTE 23 STATEMENT OF CASH FLOWS

Reconciliation of operating loss after income tax to net cash used in operating activities

	Consolidated	
	30 June 2012	30 June 2011
Operating loss after income tax	(10,027,335)	(5,156,286)
Add: Non-cash items		
Depreciation and amortisation	2,032,355	3,086
Loss on disposal of fixed assets	-	2,097
Exploration and evaluation expenditure written off	1,629,511	448,185
Share-based payments	1,329,351	2,217,876
Change in assets and liabilities		
(Increase)/decrease in other current assets	(1,752,254)	(34,091)
(Increase)/decrease in other current receivables	14,187	120,254
Increase/(decrease) in operating payables	(165,579)	741,001
Increase/(decrease) in provisions	431,493	21,806
Net cash used in operating activities	(6,508,271)	(1,636,072)

NOTE 24 DIRECTORS AND EXECUTIVE DISCLOSURES

(a) Details of Key Management Personnel (“KMP”)

(i) Directors

Bob Browning	Chief Executive Officer & Executive Chairman - resigned as Chief Executive Officer 1 April 2012, resigned as Executive Chairman 27 August 2012. Chairman (non-executive.) – appointed 27 August 2012
John Toms	Director (non-executive) – appointed 2 July 2011
Tony Adcock	Director (non-executive) – appointed 21 November 2011
Peter Martin	Director (non-executive) – appointed 19 April 2012
David Liddy	Director (non-executive) – appointed 27 April 2012
Bryant Plavsic	Director and Chief Financial Officer – resigned as Chief Financial Officer 31 January 2012, resigned as Non-executive Director 27 April 2012
John Terpu	Director (non-executive) – resigned 19 April 2012
Mark Barnaba	Director (non-executive) – resigned 17 February 2012
John Willinge	Director (non-executive) – resigned 17 October 2011
John Battley	Director and General Manager Operations – resigned as General Manager Operations 31 January 2012, resigned as Non-executive Director 31 March 2012
Tom Cregan	Managing Director and Chief Executive Officer – appointed interim Chief Executive Officer 4 January 2012, appointed Chief Executive Officer 2 April 2012, appointed Managing Director 27 August 2012

(ii) Executives

Bruce Stewart	Chief Financial Officer – appointed 1 February 2012
Yasmin Broughton	General Counsel and Company Secretary - appointed 2 May 2011
Richard Anderson	Chief Commercial Officer – appointed 14 May 2012
James Ingham	Chief Technology Officer – appointed 16 April 2012

(b) Key management personnel remuneration

Details have been included in the Remuneration Report section of the Directors' Report.

	Consolidated	
	30 June 2012	30 June 2011
Short-term employee benefits	1,732,023	430,821
Post-employment	191,652	57,047
Other long-term benefits	-	-
Share-based payment	1,119,425	670,615
	3,043,100	1,158,483

NOTE 25 RELATED PARTY DISCLOSURES

(a) Equity Interests in related parties

Equity Interests in controlled entities

Details of the percentage of ordinary shares held in controlled entities are disclosed in Note 28 to the financial statements.

Equity Interests in joint ventures

Details of interests in joint ventures are disclosed in Note 30 to the financial statements.

(b) Transactions within wholly owned group

The wholly owned group includes:

- The ultimate parent entity in the wholly-owned group and;
- The wholly-owned controlled entities

The ultimate parent entity in the wholly-owned group is Adept Solutions Limited

During the financial year Adept Solutions Limited provided accounting and administrative services at no cost to the controlled entities.

(c) Transactions with key management personnel.

The following comprises amounts paid or payable to entities in which directors have an interest.

	Consolidated entity			
	Expenditure Related Parties		Amounts Owed to Related Parties	
	2012 \$	2011 \$	2012 \$	2011 \$
Directors				
J Terpu and B Firriolo (as Directors of the CAS Trust & BCF Trust trading as Chellserv for administration services)	353,008	540,000	-	49,759
J Terpu (as Director of Valleybrook Investments Pty Ltd for 12 months option for the Parent Entity to acquire Prospecting Licence 38/3313)	1,242	10,000	-	-
J Battley (as Director of Globetrotter Corporate Travel Pty Ltd for corporate travel services)	45,977	-	348,266	-
J Toms (Oakton Pty Ltd for corporate governance services)	85,683	-	-	-

d) Option holdings of Key Management Personnel

30 June 2012	Opening Balance	Granted as remuneration	Options exercised	Net change Other #	Closing balance/ ceasing as director	Balance vested at 30 June	Vested but not exercisable	Vested and exercisable	Options vested during year
Directors									
T. Adcock	-	-	-	1,000,000	1,000,000	-	-	-	-
R. Browning	2,800,000	2,600,000*	-	-	5,400,000	1,000,000	-	1,000,000	1,000,000
M. Barnaba	-	-	-	5,100,000	5,100,000	n/a	n/a	n/a	n/a
J. Battley	-	-	-	-	-	n/a	n/a	n/a	n/a
T. Cregan	-	2,000,000	-	-	2,000,000	-	-	-	-
B. Plavsic	3,315,000	2,000,000*	-	-	5,315,000	800,000	-	800,000	800,000
D. Liddy	-	-	-	-	-	-	-	-	-
P. Martin	-	-	-	-	-	-	-	-	-
J. Terpu	997,034	-	-	-	997,034	n/a	n/a	n/a	n/a
J. Toms	-	200,000*	-	-	200,000	-	-	-	-
J. Willinge	-	-	-	2,403,600	2,403,600	n/a	n/a	n/a	n/a
Executives									
R. Anderson	-	-	-	-	-	-	-	-	-
Y. Broughton	-	3,200,000*	-	-	3,200,000	500,000	-	500,000	500,000
J. Ingham	-	-	-	-	-	-	-	-	-
B. Stewart	-	2,000,000	-	-	2,000,000	-	-	-	-
Total	7,112,034	12,000,000	-	8,503,600	27,615,634	2,300,000	-	2,300,000	2,300,000
# Includes forfeitures									

* On 29 June 2011 unlisted options were granted to the following Directors and Executives which were subsequently issued on 13 July 2011. Consequently the amounts have been included in the 2012 financial year.

2,600,000 to R. Browning.
2,000,000 to B. Plavsic.
1,200,000 to Y. Broughton.
200,000 to J. Toms.

d) Option holdings of Key Management Personnel (conituned)

[illegible]

Includes forfeitures

(e) Shareholdings of Key Management Personnel

Ordinary shares held in Adept Solutions Limited (number)

30 June 2012	Balance at beginning of period	Granted as remuneration	On Exercise of Options	Net Change Other	Balance at end of period/ ceasing as director	Balance vested at 30 June
T. Adcock	-	-	-	20,000	20,000	-
R. Browning	576,923	417,973	-	98,739	1,093,635	-
M. Barnaba	-	-	-	3,110,824	3,110,824	-
J. Battley	-	-	-	7,332,400	7,332,400	-
T. Cregan	-	-	-	-	-	-
B. Plavsic	576,923	313,480	-	50,000	940,403	-
D. Liddy	-	-	-	250,000	250,000	-
P. Martin	-	-	-	33,502	33,502	-
J. Terpu	6,985,169	-	-	-	6,985,169	-
J. Toms	-	-	-	-	-	-
J. Willinge	-	-	-	1,264,480	1,264,480	-
Executives						
Y. Broughton	-	-	-	-	-	-
R. Anderson	-	-	-	-	-	-
Y. Broughton	-	-	-	-	-	-
J. Ingham	-	-	-	-	-	-
B. Stewart	-	-	-	-	-	-
Total	8,139,015	731,453	-	12,159,945	21,030,413	-

* On 29 June 2011 ordinary shares were granted to the following Directors and Executives which were subsequently issued on 13 July 2011. Consequently the following amounts have been included in the 2012 financial year:

417,973 to R. Browning.

313,480 to B. Plavsic.

30 June 2011	Balance at beginning of period	Granted as remuneration	On Exercise of Options	Net Change Other	Balance at end of period/ ceasing as director	Balance held nominally
Post-consolidation						
Directors						
J. Terpu	4,985,169	-	-	2,000,000	6,985,169	-
B. Browning	-	-	-	576,923	576,923	-
B. Plavsic	-	-	-	576,923	576,923	-
B. Firriolo	300,000	-	-	-	300,000	-
N. Revell	240,000	-	-	-	240,000	-
Executives						
Y. Broughton	-	-	-	-	-	-
Total	5,525,169	-	-	3,153,846	8,679,015	-

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

NOTE 26 BUSINESS COMBINATION

Acquisition of Emerchants Limited

On 8th July 2011, Adept Solutions Limited acquired 100% of the voting shares of Emerchants Limited (*emergants*), an issuer of prepaid financial cards.

The total cost of the combination was \$12,275,000 and comprised an issue of equity instruments and \$2,500,000 cash, of which \$2,468,998 was paid as at 30 June 2012 and contingent consideration. The Company issued 11,500,000 ordinary shares with a post-consolidation fair value of \$0.85 each, based on the quoted price of the shares of Adept Solutions Limited at the date of exchange. Those shares are subject to a voluntary trading escrow of 36 months ending 8 July 2014.

The Group recognised the fair values of the identifiable assets and liabilities of *emergants* based upon the best information available, as at acquisition date. No subsequent changes to the purchase price allocation have been made during the measurement period. Business combination accounting is as follows:

	Fair value at acquisition date \$
Property, plant and equipment	93,209
Cash and cash equivalents	304,973
Trade receivables	115,637
Other current assets	42,309
Other receivables	55,755
Intangible assets	2,939,325
Trade and other payables	(406,938)
Borrowings	(982,471)
Provisions	(119,051)
Other non-current liabilities	(545,121)
Provisional fair value of identifiable net assets	1,497,627
Goodwill arising on acquisition	10,777,373
Fair value at acquisition date	12,275,000
	2012 \$
Acquisition date fair value of consideration transferred or transferable:	
Shares issued, at fair value	9,775,000
Cash consideration	2,500,000
Contingent consideration liability	-
Total consideration	12,275,000
	Consolidated \$
The cash outflow on acquisition is as follows:	
Cash paid – pre 30 June 2011	1,664,124
Cash paid or payable – post 30 June 2011	835,876
Net cash acquired with the subsidiary	(304,973)
Net cash outflow	2,195,027

For the financial year ended 30 June 2012, the acquired business contributed \$3,560,728 of revenue and \$2,758,952 of the net loss before tax to the group.

The accounting for the acquisition of *emerchants* has been finalised at the end of the reporting period and all the necessary market valuations and other calculations have been finalised and the fair value of the intangibles, associated deferred tax liabilities and goodwill above reflect the directors' assessment of the fair value of the intangibles.

Acquisition related costs of \$137,647 (30 June 2011: \$1,667,034) are included in other expenses in the statement of comprehensive income. Directly attributable costs of raising equity have been included as a deduction from equity.

Under the terms of the acquisition agreement, the Group must issue the former owners of *emerchants* additional shares based upon the achievement of:

- a level of at least \$1,500,000 in net assets at 30 June 2011. A further 1,000,000 Shares in Adept Solutions Limited may have been issued to the *emerchants* vendors subject to the successful achievement of the net assets. This was not achieved and consequently no value has been ascribed to this in the purchase price allocation;
- annual gross sales revenue of \$7,000,000 for the 12 month period ending 30 June 2012. Adept Solutions Limited will issue a further 3,000,000 Deferred Consideration Shares to the *emerchants* vendors in their Respective Proportions. In the event *emerchants* does not achieve the revenue levels, the Shares may still be issued to the *emerchants* vendors at Adept Solutions Limited's absolute discretion. The achievement of these targets has not been achieved and consequently no value is ascribed to this in the purchase price allocation above; and
- specified net profit before tax targets over the three financial years commencing on 1 July 2011 as set out in the tables below, may entitle the *emerchants* vendors to a further 15,000,000 Shares. The achievement of these targets is not considered probable and consequently no value is ascribed to this in the purchase price allocation above.

Table A – Threshold Targets; \$M (80% of Vendor Targets)

	2011 / 2012	2012 / 2013	2013 / 2014
Net profit before tax target	\$4.1M	\$11.3M	\$17.9M
Performance Shares to be issued to <i>emerchants</i> Vendors (in their Respective Proportions)	1.4M	1.4M	1.4M

Table B – Vendor Targets; \$M

	2011 / 2012	2012 / 2013	2013 / 2014
Net profit before tax target	\$5.2M	\$14.1M	\$22.3M
Performance Shares to be issued to <i>emerchants</i> Vendors (in their Respective Proportions)	2.5M	2.5M	2.5M

Table C – Stretch Targets; \$M (120% of Expected Targets)

	2011 / 2012	2012 / 2013	2013 / 2014
Net profit before tax target	\$6.2M	\$17.0M	\$26.8M
Performance Shares to be issued to <i>emerchants</i> Vendors (in their Respective Proportions)	3.6M	3.6M	3.6M

Table D – Super Stretch Targets; \$M (150% of Expected Targets)

	2011 / 2012	2012 / 2013	2013 / 2014
Net profit before tax target	\$7.7M	\$21.2M	\$33.5M
Performance Shares to be issued to <i>emerchants</i> Vendors (in their Respective Proportions)	5M	5M	5M

NOTE 27 INTANGIBLE ASSETS AND GOODWILL

	Consolidated		
	Intangible	Goodwill	Total
	\$	\$	\$
Gross carrying amount			
Balance at 1 July 2011	-	-	-
Additions	272,399	-	272,399
Acquisitions through business combinations	2,939,325	10,777,373	13,716,698
Disposals or classified as held for sale	-	-	-
Balance at 30 June 2012	3,211,724	10,777,373	13,989,097
Accumulated amortisation and impairment			
Balance at 1 July 2011	-	-	-
Amortisation expense	(1,835,201)	-	(1,835,201)
Disposals or classified as held for sale	-	-	-
Impairment losses charged to profit or loss	-	-	-
Balance at 30 June 2012	(1,835,201)	-	(1,835,201)
Net book value			
As at 30 June 2011	-	-	-
As at 30 June 2012	1,376,523	10,777,373	12,153,896

No impairment loss was recognised for continuing operations in the 2012 financial year.

Goodwill acquired through business combinations have been allocated to an individual cash generating unit, *emerchants*, for impairment testing.

The recoverable amount of the *emerchants* cash generating unit has been determined based on a value in use calculation using cash flow projections based on financial forecasts approved by senior management and the Directors covering a 5 year period.

The discount rate applied to cash flow projections is 14.4%.

Carrying amount of goodwill, allocated to the cash generating units

	Consolidated			
	Emerchants Limited		Total	
	2012 \$	2011 \$	2012 \$	2011 \$
Carrying amount of goodwill	10,777,373	-	10,777,373	-

Key assumptions used in value in use calculations for emERCHANTS for 30 June 2012

The following describes each key assumption on which management has based its cash flow projections when determining the value in use of *emERCHANTS*.

- Forecast revenues – the basis used to determine the value assigned to the forecast revenues is the volume growth in *emERCHANTS* four key metrics and the forecasted sales price of each unit.
The volume growth in the key metrics is determined by a combination of historical growth rates and the expected mix of products that will be offered each year. The key growth assumptions are as follows:

- New funds loaded onto accounts compound annual growth rate FY13 – FY17: 43% (FY09 – FY12: 142%).
- New accounts activated compound annual growth rate FY13 – FY17: 42% (FY09 – FY12: 142%).
- Funds under management compound annual growth rate FY13 – FY17: 45% (FY09 – FY12: 103%).
- Revenue generating transactions compound annual growth rate FY13 – FY17: 52% (FY09 – FY12: 105%).

Values assigned to the sale price of each unit reflect past experience with relevant amendments for new product offerings. Interest rates are based on the yield less 50 basis points on the Reserve Bank of Australia overnight lending rate at the beginning of the budgeted year and less 100 basis points from 1 July 2013 onwards.

Senior management believes the growth rate and unit prices are justified based on historical performance and the introduction of new product offerings.

- Forecast gross margins – the basis used to determine the value assigned to the forecasted gross margins is the average gross margins achieved in FY12, decreased for expected margin erosion. Thus, values assigned to gross margins reflect past experience, with some provision for margin erosion based on increased sales volumes. This has been estimated as a 4% decline in FY13 and 1% decline thereafter.

Impact of possible changes in key assumptions

If the compound annual growth rate from FY13 – FY17 of the four key metrics used in the value in use calculation for *emERCHANTS* had been 50% lower than management's estimates at 30 June 2012, the group would still not be required to recognise an impairment charge.

If the estimated cost of capital used in determining the pre-tax discount rate for *emERCHANTS* had been 50% higher than management's estimates, the group would still not be required to recognise an impairment charge.

NOTE 28 CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Ownership Interest	
		2012 %	2011 %
Parent Entity			
Adept Solutions Limited	Australia		
Controlled Entities			
EmERCHANTS Limited	Australia	100	-
The Australian Land Company Pty Ltd	Australia	100	100
Australasia Gold (SA) Pty Ltd	Australia	100	100

NOTE 29 COMMITMENTS FOR EXPENDITURE, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(a) Exploration Expenditure Commitments

The Group has certain obligations to perform exploration work and expend minimum amounts of money on such works on mineral exploration tenements.

These obligations will vary from time to time, subject to statutory approval. The terms of current and future joint ventures, the grant or relinquishment of licences, and changes to licence areas at renewal or expiry, will alter the expenditure commitments of the Group.

Total expenditure commitments at balance date in respect of minimum expenditure requirements not provided for in the financial statements, where the status of the tenements is to remain unchanged, and excluding commitments where a joint venture party has agreed to meet the Group's obligations, are approximately:

	2012 \$	2011 \$
Not later than one year	-	2,360
Later than one year but not later than five years	-	105,000
	-	107,360

(b) Operating Lease Commitments

Commitments for minimum lease payments and outgoings (excluding GST) are:

Not later than one year	332,427	56,333
Later than one year but not later than five years	1,464,852	56,333
More than five years	48,625	-
	1,845,904	112,666

The Group has the following non-cancellable operating leases.

- (1.) Rental of office premise in Perth, Western Australia from Jones Lang Lasalle.
The terms are 24 months due to expire in July 2013.
- (2.) Rental of office premise in Brisbane, Queensland from Trust Company (Australia) Pty Limited. The terms are 84 months due to expire in August 2018.
- (3.) Rental of printer from Ricoh Australia Pty Ltd. The terms are 36 months due to expire in September 2014.
- (4.) Rental of printer from Lasercharge Australia Pty Ltd. The terms are 24 months due to expire in November 2012.

(c) Native Title

Native title claims have been made with respect to areas which include tenements in which Adept Solutions Limited has interests. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects.

(d) Contingent Liabilities & contingent assets

Estimates of the potential financial effect of contingent liabilities that may become payable:

Host-Based Store Value (HBSV) account with Cuscal Limited (Cuscal)

Cuscal provides an HBSV account to *emERCHANTS* for use as a licensee which facilitates clients of *emERCHANTS* to deposit funds relating to in the provision of prepaid payment products. Cuscal has sole authority to transact on the licensee HBSV account.

Due to the fact that the licensee does not have ownership or the right to direct operation of the HBSV account, the account is not recognised as an asset in the financial statements of the Company. The total *emerchants* system cardholder account balances as at 30 June 2012 is \$14,327,431 (2011: \$8,015,844).

Under the agreement:

- (i) In consideration of Cuscal performing any Authorised Act, the licensee will indemnify Cuscal and the directors, employees, officers, agent and independent contractors of Cuscal on demand from time to time, and
- (ii) The licensee is liable to Cuscal in respect of any debit balance of the HBSV account and in respect of any other moneys owing or contingently owing by the licensee to Cuscal under or in connection with the HBSV account.

Debit Card Value (DCV) account with Bank of Western Australia Limited (Bankwest)

Bankwest provides a DCV account to *emerchants* for use as a licensee which facilitates clients of *emerchants* to deposit funds relating to in the provision of prepaid payment products. Bankwest has sole authority to transact on the licensee DCV account. Due to the fact that the licensee does not have ownership or the right to direct operation of the DCV account the account is not recognised as an asset in the financial statements of the Company. The total *emerchants* system cardholder account balances as at 30 June 2012 is \$970,176 (2011: \$134,236).

Under the agreement:

- (i) *emerchants* shall indemnify, defend and hold Bankwest harmless against any losses incurred by Bankwest arising from any and all claims and actions brought by and third party (including legal costs on a full indemnity basis), and
- (ii) The licensee is liable to Bankwest in respect of any debit balance of the HBSV account and in respect of any other moneys owing or contingently owing by the licensee to Bankwest under or in connection with the HBSV account.

NOTE 30 JOINT VENTURES

The Consolidated entity had interests in unincorporated joint ventures at 30 June 2012 as follows:

	Percentage Interest 2012	Percentage Interest 2011
Murninnie Joint Venture – Base metals and uranium	90%	90%
Uranium SA Joint Venture - see note below	-	-

Notes:

- (a) In July 2007 our subsidiary company, Australasia Gold (SA) Pty Ltd, exercised its right under the terms of the agreement with the Murninnie Mining Syndicate to increase its interest under the joint venture to 90%.
- (b) In accordance with a June 2009 Joint Venture Agreement signed with Uranium SA, there was an up-front assignment to our JV partner of our interests in the relevant ground. The arrangement as a whole reflects a conditional assignment of 70% interest to our JV partner and accordingly we retain a minimum 30% interest.

NOTE 31 SEGMENT INFORMATION

The Group has two reportable segments being mineral exploration in Australia and the provision of payment services. The Group did not undertake significant operations or activities in its mineral exploration business during the period under review and has either written off its remaining exploration assets or accounted for them as a short term receivables at the reporting date pending conditions subsequent of a sale agreement. The payments service segment accounted for all the groups operating results and assets and liabilities at the reporting date, with the exception of the following items:

- The Group incurred a loss of \$1,712,111 relating to its mineral exploration business which included a non-cash impairment charge of \$1,629,511 shown in the statement of comprehensive income and described in Note 9 and Note 12 to the financial statements.
- The Group has a short term receivable at the reporting date of \$125,000, described in Note 7, relating to the receipt of mineral exploration proceeds subject to the approval of the Mines Minister transferring the rights to the Northern Territory assets under a sale agreement. This approval is considered virtually certain.

NOTE 32 FINANCIAL RISK MANAGEMENT

Overview

This note presents information about the Group's exposure to credit, liquidity and market risks, its objectives, policies and processes for measuring and managing risk, and the management of capital.

The Group does not use any form of derivatives as it is not at a level of exposure that requires the use of derivatives to hedge its exposure. Exposure limits are reviewed by management on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. At the balance date there were no significant concentrations of credit risk.

Cash and cash equivalents

The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating.

Trade and other receivables

The Group where necessary establishes an allowance for impairment that represents its estimate of incurred losses in respect of other receivables and investments. Management does not expect any counter party to fail to meet its obligations.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Consolidated	
	Company Carrying amount	
	2012	2011
Cash and cash equivalents	2,289,637	10,317,609
Other receivables	680,187	572,551

Impairment Losses

None of the Group's other receivables are past due (2011: nil).

Liquidity Risk

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

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows. The Group does not have any external borrowings.

The following are the Group's contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

30 June 2012

	Carrying amount	Contractual cash flows	6 mths or less	6-12 mths	1-2 years	2-5 years
Non-interest bearing	1,119,485	1,119,485	1,119,485	-	-	-

30 June 2011

	Carrying amount	Contractual cash flows	6 mths or less	6-12 mths	1-2 years	2-5 years
Non-interest bearing	886,798	886,798	886,798	-	-	-

Market Risk

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

Currency Risk

The Company is not exposed to currency risk and at balance date the Group holds no financial assets or liabilities which are exposed to foreign currency risk.

Interest Rate Risk

The Group is exposed to interest rate risk (primarily on its cash and cash equivalents), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Company does not use derivatives to mitigate these exposures.

The Group adopts a policy of ensuring that as far as possible it maintains excess cash and cash equivalents in short term deposit at interest rates maturing over 90 day rolling periods.

Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Consolidated	
	Carrying amount	
	2012	2011
Variable rate instruments		
Financial assets – cash and cash equivalents	2,289,472	10,317,609

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss or through equity, therefore a change in interest rates at the reporting date would not affect profit or loss or equity.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2011.

Company

	Profit or loss		Equity	
	100bp increase	100bp decrease	100bp increase	100bp decrease
30 June 2012				
Variable rate instruments	22,894	(22,894)	22,894	(22,894)
30 June 2011				
Variable rate instruments	103,175	(101,632)	103,175	(101,632)

Fair Values***Fair values versus carrying amounts***

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

	Consolidated			
	30 June 2012		30 June 2011	
	Carrying amount	Fair value	Carrying amount	Fair value
Cash and cash equivalents	2,289,472	2,289,472	10,317,609	10,317,609
Other receivables	680,187	680,187	572,551	572,551
Trade and other payables	(721,219)	(721,219)	(886,798)	(886,798)
Borrowings	(398,266)	(398,266)	-	-
	1,850,174	1,850,174	10,003,362	10,003,362

Capital Management

Capital is defined as the equity of the Group.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future working capital. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group's focus has been to raise sufficient funds through equity to continue its operations. The Group monitors capital on an ongoing basis. The Group encourages employees to be shareholders through share option plans.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

The Group is not subject to externally imposed capital requirements.

NOTE 33 PARENT ENTITY DISCLOSURES

<i>Financial position</i>	30 June 2012 \$	30 June 2011 \$
Assets		
Current assets	425,816	12,565,867
Non-current assets	18,459,019	2,241,547
Total assets	18,884,835	14,807,414
Liabilities		
Current Liabilities	415,745	10,778,804
Total liabilities	415,745	10,778,804
Net Assets	18,469,090	4,028,610
Equity		
Issued capital	34,860,591	15,128,715
Reserves		
Option reserve	1,604,787	325,436
Accumulated losses	(17,946,288)	(11,425,541)
Total equity	(18,469,090)	4,028,610
Financial performance	30 June 2012 \$	30 June 2011 \$
Loss for the year	(6,520,747)	(5,156,286)
Other comprehensive income	-	-
Total comprehensive income	(6,520,747)	(5,156,286)

Commitments and Contingencies – refer Note 29.

Operating lease commitments and contingent liabilities referred to relate both the Parent Entity and subsidiary companies.

NOTE 34 EVENTS AFTER BALANCE DATE

Pursuant to a Prospectus dated 18 June 2012, the Company undertook a renounceable rights issue entitlement offer of up to 15,693,083 new shares at an issue price of \$0.09 each on the basis of 1 new share for every 4 shares held as at 27 June 2012 to raise approximately \$1,412,377 (Rights Issue) and a placement of up to 12,222,222 new shares to investors at an issue price of \$0.09 per new share to raise approximately \$1,100,000 with the ability to accept an additional \$400,000 in oversubscriptions (Placement).

The Rights Issue was partially underwritten by some of the Directors and, together with this underwriting, the Rights Issue was fully subscribed and 15,692,942 fully paid shares were issued on 26 July 2012 at an issue price of \$0.09 to raise a total of \$1,412,364.

The Placement was fully subscribed with 13,908,328 fully paid ordinary shares issued at a price of \$0.09 on 3 August 2012 based on the total proceeds received of \$1,251,750 which comprised a placement of \$1,100,000 and additional oversubscriptions of \$151,750.

On 21 August 2012 the Board approved the issue to Executives and other staff members of 12,000,000 performance-based options to take up fully paid ordinary post-consolidation shares of the Company and the implementation of a short term incentive plan (STIP) available to all employees of the Company in order to incent and retain existing employees and to attract new employees to the business. The STIP is funded from a bonus pool calculated by any surplus achievement of the Board approved FY13 EBITDA Budget and is paid to employees as a maximum tiered percentage of their annual remuneration.

Except for the above there has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

DIRECTORS DECLARATION

1. In the opinion of the Directors of Adept Solutions Limited (the "Company"):

(a) the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the group's financial position at 30 June 2012 and of its performance for the year then ended; and

(ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

(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.

(c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2012.

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



Robert Browning
Chairman
24 September 2012



INDEPENDENT AUDITOR'S REPORT

To the members of Adept Solutions Limited

Report on the Financial Report

We have audited the accompanying financial report of Adept Solutions Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

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

In Note 1(d), the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the consolidated financial report complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

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

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Liability limited by a scheme approved under Professional Standards Legislation

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Matters relating to the electronic presentation of the audited financial report and remuneration report

This auditor's report relates to the financial report and remuneration report of Adept Solutions Limited for the financial year ended 30 June 2012 published in the annual report and included on the company's website. The company's directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial report and remuneration report. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report and remuneration report. If users of the financial report and remuneration report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and remuneration report to confirm the information contained in this website version of the financial report and remuneration report.

Auditor's opinion

In our opinion:

- (a) the financial report of Adept Solutions Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(d).

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Adept Solutions Limited for the year ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB MANN JUDD
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'M R W OHM'.

M R W OHM
Partner

Perth, Western Australia
24 September 2012

ASX Additional Information

Additional information as required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

1. Shareholder Information

1.1 As at 23 August 2012 the Company had 1,261 holders of Ordinary Fully Paid Shares and 273 holders of Listed Options expiring 19 April 2013.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes (at present there are none) at general meetings of shareholders or classes of shareholders:

- (a) each shareholder entitled to vote, may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (c) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each Fully Paid Share held, or in respect of which he/she has appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid Shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the Share.

1.2 Distribution of Shares (as at 7 September 2012)

No.	Fully Paid Shares	Listed Options 19/4/2013
1-1,000	72,538	26,262
1,001-5,000	856,264	168,159
5,001-10,000	1,374,913	207,412
10,001-100,000	11,391,513	2,977,607
100,001-over	84,233,931	22,700,291
Total	97,929,159	26,079,731

The number of shareholders holding less than a marketable parcel is 240.

1.3 Substantial Shareholders (as at 7 September 2012)

The following shareholders are recorded as substantial shareholders:

Name	Fully Paid Shares Number
Mr Tom Anthony Cregan	11,111,109
Globetrotter Group Pty Ltd	7,332,400
Valleyrose Pty Ltd	6,207,669
Bt Portfolio Services Limited <Martin Super Fund A/C>	5,597,432
Total	30,248,610

1.4 Holders of Unquoted Equity Securities (as at 7 September 2012)

A total of 13,681,668 unlisted options are on issue. 10,620,000 unlisted options are held by 4 directors and 12 employees under the Company's employee options plan.

1.5 Twenty Largest Shareholders (as at 7 September 2012)

Ordinary Shareholders	Fully Paid Ordinary	
	Number	Percentage
Globetrotter Group Pty Ltd	7,332,400	7.49%
Valleyrose Pty Ltd	6,207,669	6.34%
Bt Portfolio Services Limited (Martin Super Fund A/c)	5,597,432	5.72%
Ms Diana Barton Cregan	5,555,555	5.67%
Emerchants Holdings Pty Ltd	4,167,600	4.26%
Tom Anthony Cregan	3,888,888	3.97%
Wildwood Capital Pty Ltd	3,333,333	3.40%
National Nominees Limited	3,068,840	3.13%
Westlink Asset Pty Ltd	2,650,001	2.71%
Victor John Delosa & Gayle Winter Moore	1,666,666	1.70%
Tom Cregan And Associates Pty Ltd	1,666,666	1.70%
Orbit Drilling Pty Ltd	1,325,449	1.35%
Citicorp Nominees Pty Limited	1,238,326	1.26%
Wildwood Capital Pty Ltd	1,176,471	1.20%
Tolsutra Pty Ltd	1,111,111	1.13%
Orbit Drilling Pty Ltd	1,057,500	1.08%
Alverstoke Consolidated Llc	1,036,539	1.06%
HSBC Custody Nominees (Australia) Limited - A/C 2	1,010,382	1.03%
Edge Loyalty Systems Pty Ltd	1,000,000	1.02%
St Super Pty Ltd	1,000,000	1.02%
Total	55,090,828	56.26%

1.6 Twenty Largest 19 April 2013 Listed Option Holders (as at 7 September 2012) (Exercisable @ \$0.50)

Option Holders	19 April 2013 Listed Options	
	Number	Percentage
Westlink Asset Pty Ltd	5,100,000	23.39%
Mr Robert Barrett Browning & Mrs Nancy Jean Browning	2,800,000	10.74%
Mr Bryant Plavsic	2,715,000	10.41%
Mr John Akehurst & Mrs Rachel Akehurst	2,000,000	9.20%
Alverstoke Consolidated Llc	1,900,000	7.67%
Mr Tony Robert Adcock	1,000,000	3.12%
Mr Laurie Mark Macri	910,000	3.02%
Valleybrook Investments Pty Ltd	812,500	2.53%
Orbit Drilling Pty Ltd	788,850	2.30%
Evello Partners Pty Ltd	600,000	1.62%
Citicorp Nominees Pty Limited	423,827	1.57%
Moga To Pty Ltd	410,000	1.53%
Rojul Nominees Pty Ltd	400,000	0.95%
Mr Anthony Thomas Ferguson	250,000	0.93%
Mr Philip Russell Harris	247,693	0.81%
47 Eton Pty Ltd	241,875	0.77%
Orbit Drilling Pty Ltd	211,500	0.75%
Aylworth Holding Pty Ltd	200,000	0.71%
Mardol Chemicals Pty Ltd	194,705	0.62%
Valleyrose Pty Ltd	184,534	0.61%
Total	21,390,484	83.24%

1.7 Share Buy-Backs

There is no current on-market buy-back scheme.

2. Other Information

Adept Solutions Limited, incorporated and domiciled in Australia, is a public listed company limited by Shares.

