

# OMNI MARKET TIDE

Omni Market Tide Limited

ABN 60 096 687 839

## ANNUAL REPORT

for the year ended 31 December 2017

## **CORPORATE DIRECTORY**

### **Directors**

Mr Howard Digby	Non-executive Chairman
Mr Andrew Lilley	Non-executive Director
Mr Peter Webse	Non-executive Director

### **Company Secretary**

Mr Paul Frederiks

### **Registered & Principal Office**

Level 2, 400 Queen Street  
Brisbane QLD 4000

### **Auditors**

BDO (Audit) WA Pty Ltd  
38 Station Street  
SUBIACO WA 6008

### **Bankers**

Westpac Banking Corporation  
260 Queen Street  
Brisbane QLD 4000

### **Share Registry**

Boardroom Registry Pty Limited  
Level 12, 225 George Street  
SYDNEY NSW 2000  
Tel: 1300 737 760  
Fax: (02) 9279 0664  
Email: [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)

### **Stock Exchange Listing**

Australian Securities Exchange  
ASX Code: **OMT**

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**Directors' Report**

The directors present their report, together with the financial statements, on Omni Market Tide Limited (the Company) for the period ended 31 December 2017.

**1 Directors**

The following persons were Directors of the Company during the whole reporting period unless indicated differently below:

- *Howard Digby – Chairman (appointed 1 August 2017)*
- *Andrew Lilley (appointed 1 July 2017)*
- *Peter Webse (appointed 17 November 2017)*
- *Glenn Vassallo – Chairman (resigned 17 November 2017)*
- *Richard Dennis (resigned 1 August 2017)*
- *Bryan Granzien (resigned 1 July 2017)*

**2 Principal activity**

During the period, the principal continuing activity of the Company consisted of exploring partnering arrangements to investigate various applications of the multi-platform smart-phone technology, with its associated content management system and application program interface. Such opportunities explored included, but were not confined to, OEM and licensing arrangements for the Omni suite of products with third party providers.

The Company's current primary offering is a multi-company investor engagement application acled omniLOOP.

**3 Dividends**

There were no dividends paid, recommended or declared during the period.

**4 Review of operations**

The profit of the Company for the period 1 January 2017 to 31 December 2017 amounted to \$68,469 (2016 – loss of \$4,490,935), after providing for income tax. For further information see significant changes in the state of affairs in the next section.

**5 Significant changes in state of affairs**

There were a number of changes throughout the period from 1 January 2017 to 31 December 2017, all designed and implemented to advance the interest of all stakeholders of the Company.

In the June quarter the Company was focussed mainly on securing financing in order to secure a reinstatement of trading on the ASX and to resume its commercial activities around developing and marketing the OMT suite of products. The Company reported that it successfully completed a \$1.4m capital raising during that quarter and resumed trading on 7 June 2017.

In the September quarter, the Company continued its activities around developing and marketing the Omni platform. Furthermore, the Company, together with a big four accounting firm, completed a thorough process to enable the Company to submit its claim to obtain a research and development rebate under the Australian Government (AusIndustry) programme. The Company anticipates this rebate to be \$557,964.

Additionally, the Company reported that it has commenced its technical review. This review will assist the Company to identify and prioritise opportunities on the Omni platform and its suite of products. The Company is also exploring partnering arrangements to investigate various applications of the technology. These opportunities will include, but are not confined to, OEM and licensing arrangements for the Omni suite of products.

During the year, the Company also relocated the business from Melbourne to Brisbane.

## 6 Capital Structure

Securities currently quoted on ASX	Number
Fully paid ordinary shares	150,657,180
Options exercisable at \$1.00 on or before 31 December 2018	2,500,006
Unquoted securities	Number
Options exercisable at 2.5 cents on or before 31 March 2021	35,000,000
Performance shares (Class A)	3,000,000

## 7 Events after the reporting date

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operation of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

## 8 Future developments and results

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

## 9 Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

10 Information on directors

Name	Howard Digby
Title	Non-executive Chairman (appointed 1 August 2017)
Qualifications:	B.Eng (Hons)
Experience and expertise:	Mr. Mr Digby brings over 25 years management experience in technology and information services including senior roles at IBM, Adobe, Gartner and The Economist Group in numerous countries.
Other current listed Company directorships:	4DS Memory Limited, Elsie Limited
Former listed Company directorships (last 3 years):	HearMeOut Limited, Dimerix Limited (formerly Sun Biomedical Limited), Estrella Resources Limited
Interests in shares:	Included in Remuneration Report

Name	Andrew Lilley
Title	Non-executive Director (appointed 1 July 2017)
Qualifications:	B. Commerce, B. Economics
Experience and expertise:	Mr Lilley brings capital market experience and financial analysis expertise across a wide range of industries.
Other current listed Company directorships:	N/A
Former listed Company directorships (last 3 years):	N/A
Interests in shares:	Included in Remuneration Report

Name	Peter Webse
Title	Non-executive Director (appointed 17 November 2017)
Qualifications:	B.Bus, FGIA, FCPA, MAICD
Experience and expertise:	Mr Webse is Managing Director of Platinum Corporate Secretariat, a firm specialising in providing company secretarial, corporate governance and corporate advisory services to ASX listed companies.
Other current listed Company directorships:	Cynata Therapeutics Limited
Former listed Company directorships (last 3 years):	4DS Memory Limited Dimerix Limited (formerly Sun Biomedical Limited)
Interests in shares:	Included in Remuneration Report

Name	Glenn Vassallo
Title	Non-executive Chairman (resigned 17 November 2017)
Qualifications:	LLB, BCom
Experience and expertise:	<p>Mr Vassallo is a founder of GRT Lawyers and the GRT Foundation. As the managing director of GRT Lawyers, Mr Vassallo is passionate about working with his highly sophisticated national and international clients to implement their corporate strategy.</p> <p>Mr Vassallo has significant experience in formulating and executing complex corporate transactions (including IPOs, takeovers and other equity capital market transactions) with a particular focus on national and international stock and security exchanges. He also has significant high-end complex litigation experience.</p> <p>Mr Vassallo has been a long standing member of the Law Council of Australia Company Law Committee and the Queensland Law Society Company Law Committee, and has listed ASX board experience. Mr Vassallo holds a Bachelor of Laws and Commerce and is admitted to the Supreme Court of Queensland and the High Court of Australia.</p>
Other current listed Company directorships:	N/A
Former listed Company directorships (last 3 years):	N/A
Interests in shares:	Included in Remuneration Report

<b>Name</b>	<b>Richard Dennis</b>
<b>Title</b>	Non-executive Director (resigned 1 August 2017)
<b>Qualifications:</b>	BCOMM LLB ACA AICD
<b>Experience and expertise:</b>	<p>Mr Dennis has an extensive mix of ASX listed and non-listed company Board experience, along with rich leadership, strategy, financial services and business development skills gained from a successful career working extensively throughout the Asia-Pacific region and globally for Ernst &amp; Young.</p> <p>Mr Dennis is dual qualified in law and commerce, is a non-executive Director and Chair of the Audit &amp; Risk Committee of ASX listed Apiam Animal Health Limited and Motorcycle Holdings Ltd and has other Non-Executive Board Roles with Springfield Land Corporation, Vesta Living Communities, Gold Coast Private Health Network, Australian Super (Qld Advisory Board) and EWM Group. He is also an external member of the Audit &amp; Risk Committee of Racing Qld.</p> <p>Mr Dennis developed a deep financial, operating and cultural understanding of cross-border businesses in Asia while holding a succession of senior leadership roles at Ernst &amp; Young. These roles included Deputy COO Asia-Pacific and CFO Asia Pacific (2010-2013). Mr Dennis was a senior partner at Ernst &amp; Young between 1991 and 2015 and led the establishment of the firm's Australia China Business Group, which advised Australian and Chinese clients on bilateral trade and investment initiatives. Mr Dennis was Managing Partner at EY in Queensland from 2001-2007 and again from 2014-2015 and was a member of the Queensland Government's inaugural Queensland China Council in 2007.</p>
<b>Other current listed Company directorships:</b>	Apiam Animal Health Limited, Motorcycle Holdings Ltd
<b>Former listed Company directorships (last 3 years):</b>	N/A
<b>Interests in shares:</b>	Included in Remuneration Report



<b>Name</b>	<b>Bryan Granzien</b>
Title	Non-executive Director (resigned 1 July 2017)
Qualifications:	B.Bus GAICD
Experience and expertise:	<p>Mr Granzien is Managing Director of BryJan Enterprises, providing specialised consulting services to the technology and resources sectors. His previous role was as Australian CEO for Tata Steel Limited, a top 10 international steel company. He is an experienced executive having held GM or CEO roles in the Mining, Manufacturing, Agribusiness and Technology industries over a career spanning 30+ years, with international experience gained through secondments to England and Singapore.</p> <p>Prior to working for Tata Steel, Mr Granzien held leadership roles at MIM Holdings, Grainco Australia and Neumann Steel, all including Information Technology accountability.</p> <p>Mr Granzien has a Bachelor of Business, is a graduate of the AICD, a fellow of the CEO Institute of Australia, a Tata Business Excellence Gold Assessor and has held numerous industry and Subsidiary Director positions.</p>
Other current listed Company directorships:	N/A
Former listed Company directorships (last 3 years):	N/A
Interests in shares:	Included in Remuneration Report

## 11 **Company secretary**

The Company's Company Secretary is Mr Paul Frederiks (appointed 6 February 2017).

Mr Frederiks has more than 30 years' experience as a finance and corporate governance executive in the Australian listed sector with an extensive knowledge base in listed public company reporting and compliance.

He previously held Chief Financial Officer and Company Secretary positions with Discovery Metals Limited, Geodynamics Limited and Ross Mining NL and was also previously the Company Secretary of Billabong International Limited, Auzex Resources Limited and China Steel Australia Limited.

Mr Frederiks is a Fellow of CPA Australia, the Australian Institute of Company Directors and the Governance Institute of Australia.

Prior to the appointment of Mr Frederiks, the Company's Company Secretary was Mr Paul Cochrane (11 October 2016 to 6 February 2017).

12 **Meetings of directors**

Directors' Meetings		
	Number eligible to attend	<i>Number attended*</i>
Glenn Vassallo (resigned 17 November 2017)	9	9
Richard Dennis (resigned 1 August 2017)	4	4
Bryan Granzien (resigned 1 July 2017)	4	4
Howard Digby (appointed 1 August 2017)	6	6
Andrew Lilley (appointed 1 July 2017)	6	6
Peter Webse (appointed 17 November 2017)	1	1

\* The above number includes meetings held in person, by teleconference and by circular.

13 **Options**

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

Grant date	Date of expiry	Exercise price	Number under option
22 July 2015	31 December 2018	\$1.00	2,500,006
7 June 2017	31 March 2021	\$0.025	35,000,000

Option holders do not have any rights to participate in any issues of shares or other interests in the Company.

No options have been issued to Directors or other Key Management Personnel during their tenure. For details of the Performance Shares issued to Directors and other key management personnel, refer to the remuneration report.

During the period ended 31 December 2017, and up to the date of this report, no ordinary shares of Omni Market Tide Limited have been issued on the exercise of options granted.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

**14 Indemnification and insurance of officers**

Every person who is or has been a director, secretary or executive officer of the entity is indemnified, to the maximum extent permitted by law, out of property of the company against any liabilities for costs and expenses incurred by that person unless the liability arises out of conduct involving a lack of good faith.

The company has paid a premium for directors and officers liability. The insurance policy covers the directors of the company and executive officers. The contract prohibits the disclosure of the nature of the liability insured and the amount of the premium.

**15 Indemnification and insurance of auditors**

The Company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial period, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

**16 Proceedings on behalf of company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

The Company was not a party to any such proceedings during the year.

**17 Non-audit services**

The Directors are satisfied that the provision of non-audit services provided during the financial period, by the auditor (or by another person or firm on the auditor's behalf), 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 external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing economic risks and rewards.

The following fees for non-audit services were paid to the external auditors during the year ended 31 December 2017:

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Compliance and Taxation Services	2,040	-

**18 Auditor's independence declaration**

The auditor's independence declaration in accordance with section 307C of the Corporations Act 2001 for the period ended 31 December 2017 has been received and can be found in page 37 of the financial report.

**19 Remuneration report (audited)**

This remuneration report outlines the Director and executive remuneration arrangements of each director of Omni Market Tide Ltd, and for all other key management personnel, in accordance with the requirements of the Corporations Act 2001 and its Regulations. For the purposes of this report, key management personnel (**KMP**) are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any directors (whether executive or otherwise).

The remuneration report is presented in the below sections:

- 19.2 Key Management Personnel
- 19.3 Remuneration Framework
- 19.4 Executive Remuneration Arrangements
- 19.5 Executive Contractual Arrangements
- 19.6 Non-executive Director Arrangements
- 19.7 Relationship of Reward and Performance
- 19.8 Company performance, shareholder wealth and director & executive remuneration
- 19.9 Share-based Remuneration
- 20 Details of Remuneration
- 21 Shareholdings
- 22 Other Key Management Personnel Disclosures
- 23 Voting and comments at the 2017 AGM
- 24 Use of Remuneration Consultants

**19.1 Key management personnel (including the executives of the Company)**

The report covers Non-Executive Directors, Executive Directors and other Key Management Personnel, and includes:

<i>Non-executive directors (NED)</i>	<i>Executive Directors</i>	<i>Other KMP</i>
Howard Digby <sup>1</sup>	Nil	Paul Frederiks <sup>2</sup>
Andrew Lilley <sup>3</sup>		Paul Cochrane <sup>4</sup>
Peter Webse <sup>5</sup>		
Glenn Vassallo <sup>6</sup>		
Richard Dennis <sup>7</sup>		
Bryan Granzien <sup>8</sup>		

<sup>1</sup> Appointed 1 August 2017.

<sup>2</sup> Appointed 6 February 2017.

<sup>3</sup> Appointed 1 July 2017.

<sup>4</sup> Resigned 6 February 2017

<sup>5</sup> Appointed 17 November 2017.

<sup>6</sup> Resigned 17 November 2017.

<sup>7</sup> Resigned 1 August 2017.

<sup>8</sup> Resigned 1 July 2017.

There were no other changes after the reporting date and before the date the financial report was authorised for issue.

## 19.2 Remuneration Framework

Due to the size of the Company, the role of remuneration committee is performed by the Board. It is primarily responsible for:

- The over-arching executive remuneration framework;
- Remuneration levels of executives; and
- Non-executive director fees.

The remuneration packages of directors and key management personnel of Omni Market Tide Ltd have been designed to align director and other key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific performance pay incentives based on key performance areas affecting the entity's financial results where the Board deems such incentives to be appropriate. The Board of Omni Market Tide Ltd believes this remuneration methodology to be appropriate and effective in its ability to attract and retain the best key management personnel and directors to run and manage the business, as well as create goal congruence between directors, other key management personnel and shareholders.

The Board determines the nature and the amount of remuneration for Board members and key management personnel of the entity as detailed below.

The non-executive directors and executives based in Australia receive the superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits.

All remuneration paid to directors and other key management personnel is valued at the cost to the Company and expensed.

## 19.3 Executive Remuneration Arrangements

All key management personnel may receive a base salary, superannuation, fringe benefits (if applicable) and performance pay incentives (if applicable).

The performance pay plan is reviewed by the Board. Objectives for the key management personnel are set by the Board. Key management personnel packages are reviewed annually by reference to the entity's performance, key management personnel performance and comparable information from industry sectors and other listed companies in similar industries.

The performance of key management personnel is measured against criteria agreed annually with each key management personnel, and is in part based on the forecast growth of the entity's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives and bonuses. Any changes must be justified by reference to measurable performance criteria. The remuneration practices are designed to attract the highest calibre of key management personnel and reward them for performance that results in long-term growth in shareholder wealth.

**19.4 Executive Contractual Arrangements**

Remuneration and other terms of employment for the CFO and Company Secretary and all other key management positions held have been formalised in service agreements.

**19.5 Non-executive Director Remuneration Arrangements**

The Board's policy is to remunerate non-executive directors at a rate that reflects the Company's current stage of development, remaining cognisant of market rates for comparable companies for time, commitment and responsibilities.

Remuneration of the non-executive directors is made on this basis and is reviewed annually, based on market practice, duties and accountability. Independent external advice is sought where required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at general meeting. For the financial period ended 31 December 2017, and in respect of each financial year thereafter and until otherwise determined by a resolution of shareholders, the maximum aggregate remuneration payable by the Company to all Non-Executive Directors of the Company for their services as Directors including their services on a Board committee or sub-committee and including superannuation is limited to \$250,000 per annum.

The total remuneration packages inclusive of superannuation benefits for the Non-Executive Directors are as follows:

Board fees	\$ per annum
Chairman	25,000
Other Non-Executive Directors	25,000

There are no additional committee fees payable.

All Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of Director.

**19.6 Relationship of Reward and Performance**

As is detailed in the below sections of this Directors Report, a former Non-Executive Director (Glenn Vassallo) also hold, indirectly, Performance Shares (Class A). The Performance Shares were issued to Non-Executive Directors as a component of the consideration paid as part of the Acquisition of GRT App. Mr Glenn Vassallo was also a GRT App Vendor. The terms of these Performance Shares are dealt with below.

**19.7 Company performance, shareholder wealth, and director and executive remuneration**

There is no link between the gross revenue, profits and dividends for the last four years for the Company as well as the share price at the end of the respective financial years, due to the change in the nature of operations of the business in 2015.

**19.8 Share-based remuneration**

There were nil options issued during the period to key management personnel in connection with remuneration. Options may be issued to key management personnel as part of their remuneration. The options are issued to key management personnel of Omni Market Tide Limited and its subsidiaries to increase goal congruence between key management personnel and shareholders, and are partly based on performance criteria.

No Non-Executive Director of the Company received share-based payment for their services as Non-Executive Directors during the Period.

20 **Details of Remuneration***Remuneration of Key Management Personnel*Remuneration for the period ended 31 December 2017

Component	Fixed		Variable	Total	Remuneration consisting of SBP
	Cash salary and fees	Superannuation	Share-based payments		
	\$	\$	\$	\$	%
<b>Non-executive directors (NED)</b>					
Mr Howard Digby <sup>9</sup>	15,418	-	-	15,418	0
Mr Andrew Lilley <sup>10</sup>	27,500	-	-	27,500	0
Mr Peter Webse <sup>11</sup>	3,044	-	-	3,044	0
Mr Glenn Vassallo <sup>12</sup>	22,013	-	-	22,013	0
Mr Richard Dennis <sup>13</sup>	14,583	-	-	14,583	0
Mr Bryan Granzien <sup>14</sup>	12,500	-	-	12,500	0
<b>Executive Directors</b>					
Nil	-	-	-	-	0
<b>Other KMP</b>					
Mr Paul Frederiks <sup>15</sup>	89,000	-	-	89,000	0
Mr Paul Cochrane <sup>16</sup>	5,000	-	-	5,000	0
<b>Total</b>	<b>189,058</b>	<b>-</b>	<b>-</b>	<b>189,058</b>	

Key Management Personnel compensation for the period ended 31 December 2017

Totals	Short term benefits	Post-employment benefits	Share-based payments	Total
	\$	\$	\$	\$
<b>Non-executive Directors (NED)</b>	95,058	-	-	95,058
<b>Executive Directors</b>	-	-	-	-
<b>Other KMP</b>	94,000	-	-	94,000
<b>Total</b>	<b>189,058</b>	<b>-</b>	<b>-</b>	<b>189,058</b>

<sup>9</sup> Appointed 1 August 2017. Comprise \$10,418 in Directors fees and \$5,000 in consulting fees prior to being appointed a director

<sup>10</sup> Appointed 1 July 2017. Comprise \$12,500 in Directors fees and \$15,000 in consulting fees prior to being appointed a director

<sup>11</sup> Appointed 17 November 2017.

<sup>12</sup> Resigned 17 November 2017

<sup>13</sup> Resigned 1 August 2017.

<sup>14</sup> Resigned 1 July 2017.

<sup>15</sup> Appointed 6 February 2017.

<sup>16</sup> Resigned 6 February 2017.

## Remuneration for the period ended 31 December 2016

Component	Fixed		Variable	Total	Remuneration consisting of SBP
	Cash salary and fees	Superannuation	Share-based payments		
	\$	\$	\$	\$	%
<b>Non-executive directors (NED)</b>					
Mr Glenn Vassallo	25,000	-	-	25,000	0
Mr Richard Dennis <sup>17</sup>	19,435	-	-	19,435	0
Mr Bryan Granzien <sup>18</sup>	93,083	-	-	93,083	0
Mr Kenneth Pickard <sup>19</sup>	14,583	-	-	14,583	0
Mr Ross Blair-Holt <sup>20</sup>	14,583	-	-	14,583	0
Mr John Mactaggart <sup>21</sup>	8,907	846	-	9,753	0
<b>Executive Directors</b>					
Mr Steve Terry <sup>22</sup>	166,667	15,833	-	182,500	0
Mrs Megan Boston <sup>23</sup>	207,026	18,178	-	225,204	0
<b>Other KMP</b>					
Mr Paul Cochrane <sup>24</sup>	40,000	-	-	40,000	0
Mr Stephen Kelly <sup>25</sup>	35,000	-	-	35,000	0
Mr Oliver Kidd <sup>26</sup>	100,366	8,813	-	109,179	0
<b>Total</b>	<b>724,650</b>	<b>43,670</b>	<b>-</b>	<b>768,320</b>	

## Key Management Personnel compensation for the period ended 31 December 2016

Totals	Short term benefits	Post-employment benefits	Share-based payments	Total
	\$	\$	\$	\$
<b>Non-executive Directors (NED)</b>	84,591	846	-	85,437
<b>Executive Directors</b>	373,693	34,011	-	407,704
<b>Other KMP</b>	266,366	8,813	-	275,179
<b>Total</b>	<b>724,650</b>	<b>43,670</b>	<b>-</b>	<b>768,320</b>

<sup>17</sup> Appointed 22 March 2016.

<sup>18</sup> Appointed 25 November 2016, the fees comprise \$2,083 as Directors fees and \$91,000 as previous Chief Operating Officer.

<sup>19</sup> Resigned 1 August 2016.

<sup>20</sup> Resigned 1 August 2016.

<sup>21</sup> Resigned 29 February 2016.

<sup>22</sup> Appointed 1 August 2016, resigned 25 November 2016.

<sup>23</sup> Resigned 5 July 2016.

<sup>24</sup> Appointed 11 October 2016, resigned 6 February 2017.

<sup>25</sup> Appointed 6 July 2016, resigned 11 October 2016.

<sup>26</sup> Resigned 6 July 2016.



## 21 Shareholdings

## 21.1 Ordinary Shares

The number of shares in the Company held by each Director and other KMP during the period, including their related parties is summarised below.

2017	Balance at 1 Jan 2017	Purchased	Share Consolidation	Other	Balance 31 Dec 2017
<b>Non-executive directors (NED)</b>					
Mr Howard Digby <sup>27</sup>	-	-	-	1,600,000	1,600,000
Mr Andrew Lilley <sup>28</sup>	-	-	-	3,200,000	3,200,000
Mr Peter Webse <sup>29</sup>	-	-	-	-	-
Mr Glenn Vassallo	25,349,377	10,000,000 <sup>30</sup>	(22,814,439) <sub>31</sub>	(12,534,938) <sub>32</sub>	-
Mr Richard Dennis	250,000	-	(225,000) <sup>33</sup>	(25,000) <sup>34</sup>	-
Mr Bryan Granzien	-	-	-	-	-
<b>Executive Directors</b>					
Nil					
<b>Other KMP</b>					
Mr Paul Cochrane	-	-	-	-	-
Mr Paul Frederiks	-	-	-	-	-
	<b>25,599,377</b>	<b>10,000,000</b>	<b>(23,039,439)</b>	<b>(7,759,938)</b>	<b>4,800,000</b>

The above figures are from the later of employment commencement date and 1 January 2017 through to the earlier of termination date and 31 December 2017.

<sup>27</sup> Balance at date of appointment 1 August 2017.

<sup>28</sup> Balance at date of appointment 1 July 2017.

<sup>29</sup> Balance at date of appointment 17 November 2017.

<sup>30</sup> Shares issued on conversion of convertible note.

<sup>31</sup> Share consolidation 1 for 10.

<sup>32</sup> Balance at date of resignation 17 November 2017.

<sup>33</sup> Share consolidation 1 for 10.

<sup>34</sup> Balance at date of resignation 1 August 2017.

2016	Balance at 1 Jan 2016	Purchased	Disposed	Other	Balance 31 Dec 2016
<b>Non-executive directors (NED)</b>					
Mr Glenn Vassallo	25,238,100	111,277	-	-	25,349,377
Mr Kenneth Pickard	39,190,500	-	-	(39,190,500) <sup>35</sup>	-
Mr Ross Blair-Holt	11,268,150	-	-	(11,268,150) <sup>36</sup>	-
Mr John Mactaggart	833,334	-	-	(833,334) <sup>37</sup>	-
Mr Richard Dennis	-	-	-	250,000 <sup>38</sup>	250,000
Mr Bryan Granzien <sup>39</sup>	-	-	-	-	-
<b>Executive Directors</b>					
Mr Steve Terry <sup>40</sup>	-	-	-	-	-
Mrs Megan Boston	500,000	-	-	(500,000) <sup>41</sup>	-
<b>Other KMP</b>					
Mr Paul Cochrane	-	-	-	-	-
Mr Steve Kelly	-	-	-	-	-
Mr Oliver Kidd	-	-	-	-	-
	<b>77,030,084</b>	<b>111,277</b>	<b>-</b>	<b>(51,541,984)</b>	<b>25,599,377</b>

The above figures are from the later of employment commencement date and 1 January 2016 through to the earlier of termination date and 31 December 2016.

<sup>35</sup> Balance as at the date of resignation 1 August 2016.

<sup>36</sup> Balance as at the date of resignation 1 August 2016.

<sup>37</sup> Balance as at the date of resignation 29 February 2016

<sup>38</sup> Balance as at the date of appointment 22 March 2016.

<sup>39</sup> Appointed 25 November 2016.

<sup>40</sup> Appointed 1 August 2016, resigned 25 November 2016.

<sup>41</sup> Balance as at the date of resignation 5 July 2016.

## 21.2 Options

The number of options in the Company held by each Director and other KMP during the period, including their related parties is summarised below.

<b>2017</b>	Balance at 1 Jan 2017	Granted during year	Options Exercised/oth er	Balance 31 Dec 2017
<b>Non-executive directors (NED)</b>				
Mr Howard Digby <sup>42</sup>	-	1,500,000	-	1,500,000
Mr Andrew Lilley <sup>43</sup>	-	1,500,000	-	1,500,000
Mr Peter Webse	-	-	-	-
Mr Glenn Vassallo	-	-	-	-
Mr Richard Dennis	-	-	-	-
Mr Bryan Granzien	-	-	-	-
<b>Executive Directors</b>				
Nil				
<b>Other KMP</b>				
Mr Paul Cochrane	-	-	-	-
Mr Paul Frederiks	-	-	-	-
	-	<b>3,000,000</b>	-	<b>3,000,000</b>

The options have an exercise price of 2.5 cents and an expiry date of 31 March 2021.

There were no options granted in the year ended 31 December 2016.

## 21.3 Class A Performance Shares

There were no Class A Performance Shares issued during the period ended 31 December 2017.

Class A Performance Shares are tied to audited revenue as the key performance criteria. The Class A Performance Shares will convert into fully-paid ordinary shares as the Company exceeds varying audited revenue thresholds (detailed further below). Given the Company's long-term growth is largely determined by commercialisation of the Company's stakeholder engagement platform and associated technologies, the Class A Performance Shares are subject to performance hurdles measured against audited revenue of the business.

The quantum of distribution of the Class A Performance Shares on issue is detailed in the table below.

<sup>42</sup> Balance at date of appointment 1 August 2017.

<sup>43</sup> Balance at date of appointment 1 July 2017.

None of the Performance Shares were converted into fully-paid ordinary shares during the reporting Period or prior to the release of this annual report.

#### Performance Shares

Class and Performance Hurdles	Issued	Term of Expiry
<b>Class A Performance Shares</b>	3,000,000	Varying
The audited revenue of GRT App during any financial year being equal to or greater than \$3,000,000.	750,000	31 December 2018
The audited revenue of GRT App during any financial year being equal to or greater than \$4,000,000.	750,000	31 December 2018
The audited revenue of GRT App during any financial year being equal to or greater than \$6,000,000.	750,000	31 December 2018
The audited revenue of GRT App during any financial year being equal to or greater than \$8,000,000.	750,000	Must be converted on or before 22 July 2020

Class A Performance Shares were granted to the following directors during the period ended 31 December 2015 are as follows:

#### Performance Shares for Section 205G of the Corporations Act 2001

	Class A Performance Shares granted*
<b><i>Non-executive directors (NED)</i></b>	
Mr Glenn Vassallo <sup>44</sup>	5,047,620

During the year as a result of a 1 for 10 share consolidation, the number of Class A Performance shares was reduced from 30,000,000 to 3,000,000. As a result the number of Class A Performance shares now held by Mr Glenn Vassallo reduced to 504,762.

The above table represents the relevant interest of a Director in Class A Performance Shares issued by the Company, as notified by the Directors to the ASX in accordance with section 205G of the Corporations Act 2001 until the date the financial report is signed.

No Class A Performance Shares were converted during the period ended 31 December 2017.

## 22 Other Key Management Personnel Disclosures

Former Non-Executive Chairman, Mr Glenn Vassallo, is the Managing Director of GRT Lawyers Pty Ltd. During the 2017 year, legal fees amounting to \$184,642 were forgiven by GRT Lawyers as part of the Company's recapitalisation. In the prior year the Company incurred fees for legal advisory services to GRT Lawyers Pty Ltd in the amount of \$540,660. These legal fees related to general legal advice and business contracts. All transactions were conducted on normal commercial terms. In addition to the above, Mr Vassallo is the Managing Director of Glize Business Pty Ltd. During the 2017 year, the Company paid directors fees for services to Glize Business Pty Ltd in the amount of \$22,013 (ex GST) (2016 - \$31,250). All transactions were conducted on normal commercial terms.

Former Non-Executive Director, Mr Richard Dennis, is the Managing Director of Dennis Corporate Advisory. During the 2017 year, the Company paid directors fees for services to

<sup>44</sup> Appointed 22 July 2015; Mr Vassallo was also a GRT App Vendor.

Dennis Corporate Advisory in the amount of \$14,583 (ex GST) (2016 - \$19,435). All transactions were conducted on normal commercial terms.

Former Non-Executive Director, Mr Bryan Granzien, is the Managing Director of Bryjan Enterprises Pty Ltd. During the 2017 year, the Company paid directors fees and consulting fees to Bryjan Enterprises Pty Ltd in the amount of \$12,500 (ex GST) (2016 – \$93,083). All transactions were conducted on normal commercial terms.

Current Non-Executive Chairman, Mr Howard Digby, is the Managing Director of Bandra Consulting. During the 2017 year, the Company paid directors fees to Bandra Consulting in the amount of \$15,418 (ex GST) (2016 – nil). All transactions were conducted on normal commercial terms.

Current Non-Executive Director, Mr Peter Webse, is the Managing Director of Platinum Corporate Secretariat Pty Ltd. During the 2017 year, the Company paid directors fees and expenses to Platinum Corporate Secretariat Pty Ltd in the amount of \$3,135 (ex GST) (2016 – nil). All transactions were conducted on normal commercial terms.

Aggregate amounts of each of the above types of other transactions with key management personnel of Omni Market Tide Limited are as follows:

	2017	2016
	\$	\$
<b>Payments to related parties</b>		
Legal Fees	(184,642)	540,660
Directors Fees	67,649	52,768
Consultancy	-	91,000
Taxation and Accountancy	-	158,894
	<u>(116,993)</u>	<u>843,322</u>
Balance outstanding at year end		
Trade Payables – Legal fees	-	202,908
	<u>-</u>	<u>202,908</u>

## 23 **Voting and comments made at the Company's 2017 Annual General Meeting**

The Company received more than 92.3% of "yes" proxy votes on its remuneration report for the 2016 financial year, inclusive of discretionary proxy votes. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

## 24 **Use of remuneration consultants**

The Company did not employ services of consultants to review its existing remuneration policies.

## 25 **End of Audited Remuneration Report**

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



**Howard Digby**  
**Chairman**

28 February 2018, Perth

## Corporate Governance Statement

### 1 Corporate governance

To the extent they are applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (3<sup>rd</sup> Edition)* as published by the ASX Corporate Governance Council (**Recommendations**). As the Company's activities develop in size, nature and scope, the size of the Board and the corporate governance policies and structures will be given further consideration. In view of the size of the Company and the nature of its activities, the Board considers that the current board and committee structure is a cost-effective and practical method of directing and managing the Company. The Board is committed to administering the policies and procedures with openness and integrity and pursuing the true spirit of corporate governance commensurate with the Company's needs.

Copies of the Company's corporate governance policies are available on the Company's website at [www.omnimarkettide.com](http://www.omnimarkettide.com).

The Company's compliance and departures from the Recommendations as at 31 December 2017 are set out below:

Principles and Recommendations	Compliance
<b>Principle 1: Lay solid foundations for management and oversight</b>	
<p><b>Recommendation 1.1</b></p> <p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p><b>Complies</b></p> <p>The Company's Corporate Governance Plan includes a Board Charter, which discloses the specific responsibilities of the Board.</p> <p>The role of the Chairman and the Board's relationship with management are specifically set out in the Board Charter.</p> <p>A copy of the Board Charter can be accessed at <a href="http://www.omnimarkettide.com">www.omnimarkettide.com</a>.</p>
<p><b>Recommendation 1.2</b></p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p><b>Complies</b></p> <p>The Board Charter sets out the nomination responsibilities of the Board.</p>
<p><b>Recommendation 1.3</b></p> <p>A listed entity should have a written agreement with each director and senior</p>	<p><b>Complies</b></p>

executive setting out the terms of their appointment.

**Recommendation 1.4**

**Complies**

The company secretary of a listed entity should be accountable directly to the board, through the Chair, on all matters to do with the proper functioning of the board.

**Recommendation 1.5**

**Complies**

A listed entity should:

The Company has a compliant Diversity Policy.

(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;

A copy of the Diversity Policy can be found at [www.omnimarkettide.com](http://www.omnimarkettide.com).

Also see section 10 below.

(b) disclose that policy or a summary of it; and

(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:

(i) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or

(ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

**Recommendation 1.6**

**Complies**

A listed entity should:

(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and

(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the

reporting period in accordance with that process.

**Recommendation 1.7**

**Complies**

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives; and
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

**Principle 2: Structure the Board to add value**

**Recommendation 2.1**

**Does not comply**

The board of a listed entity should:

See section 9.2 below.

- (a) have a nomination committee which:
  - (i) has at least three members, a majority of whom are independent directors; and
  - (ii) is chaired by an independent director,
 and disclose:
  - (i) the charter of the committee;
  - (ii) the members of the committee; and
  - (iii) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

**Recommendation 2.2**

**Complies**

A listed entity should have and disclose a board skills matrix setting out the mix of

See section 5 below.



<p>skills and diversity that the board currently has or is looking to achieve in its membership.</p>	
<p><b>Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship that might cause doubts about their independence but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p><b>Complies</b></p>
<p><b>Recommendation 2.4</b></p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p><b>Complies from 17 November 2017 when P. Webse appointed a non-executive director</b></p>
<p><b>Recommendation 2.5</b></p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p><b>Complies from 17 November 2017 when H. Digby appointed Chairman</b></p>
<p><b>Recommendation 2.6</b></p> <p>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p><b>Complies</b></p>
<p><b>Principle 3: Act Ethically and Responsibly</b></p>	
<p><b>Recommendation 3.1</b></p> <p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p><b>Complies</b></p> <p>The Company has a compliant Code of Conduct.</p> <p>A copy of the Code of Conduct can be accessed at <a href="http://www.omnimarkettide.com">www.omnimarkettide.com</a>.</p>
<p><b>Principle 4: Safeguard integrity in corporate reporting</b></p>	
<p><b>Recommendation 4.1</b></p>	<p><b>Does not comply</b></p>

<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p style="padding-left: 20px;">(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p style="padding-left: 20px;">(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p style="padding-left: 20px;">(i) the charter of the committee;</p> <p style="padding-left: 20px;">(ii) the relevant qualifications and experience of the members of the committee; and</p> <p style="padding-left: 20px;">(iii) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>See section 9.1 below.</p>
<p><b>Recommendation 4.2</b></p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><b>Does not comply</b></p> <p>Due to the size of the Company, the Board signed the declaration in accordance with section 295A of the Corporations Act. The declaration is made and is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial risk.</p>
<p><b>Recommendation 4.3</b></p> <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p><b>Complies</b></p>

Principle 5: Make timely and balanced disclosure	
<p><b>Recommendation 5.1</b></p> <p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><b>Complies</b></p> <p>The Company has a compliant Continuous Disclosure Policy.</p> <p>A copy of the Continuous Disclosure Policy can be accessed at <a href="http://www.omnimarkettide.com">www.omnimarkettide.com</a>.</p>
Principle 6: Respect the rights of security holders	
<p><b>Recommendation 6.1</b></p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p><b>Complies</b></p>
<p><b>Recommendation 6.2</b></p> <p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	<p><b>Complies</b></p> <p>The Company has a compliant Shareholder Communication Policy.</p> <p>A copy of the Shareholder Communication Policy can be accessed at <a href="http://www.omnimarkettide.com">www.omnimarkettide.com</a>.</p>
<p><b>Recommendation 6.3</b></p> <p>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	<p><b>Complies</b></p>
<p><b>Recommendation 6.4</b></p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	<p><b>Complies</b></p>
Principle 7: Recognise and manage risk	
<p><b>Recommendation 7.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p style="margin-left: 40px;">(i) has at least three members, a majority of whom are independent directors; and</p> <p style="margin-left: 40px;">(ii) is chaired by an independent director,</p> <p>and disclose:</p>	<p><b>Does not comply</b></p> <p>See section 9.1 below.</p>

<ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity’s risk management framework.</p>	<p><b>Complies</b></p> <p>See section 9.1 below.</p>
<p><b>Recommendation 7.2</b></p> <p>The board or a committee of the board should:</p> <ul style="list-style-type: none"> <li>(a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound; and</li> <li>(b) disclose, in relation to each reporting period, whether such a review has taken place.</li> </ul>	<p><b>Complies</b></p> <p>See section 9.1 below.</p>
<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> <li>(a) if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</li> </ul>	<p><b>Complies</b></p> <p>See section 0 below.</p>
<p><b>Recommendation 7.4</b></p> <p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p><b>Complies</b></p>
<p><b>Principle 8: Remunerate fairly and responsibly</b></p>	

**Recommendation 8.1**

The board of a listed entity should:

- (a) have a remuneration committee which:
  - (i) has at least three members, a majority of whom are independent directors; and
  - (ii) is chaired by an independent director,
 and disclose:
  - (iii) the charter of the committee;
  - (iv) the members of the committee; and
  - (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

**Does not Comply**

See section 8 below.

**Recommendation 8.2**

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

**Complies**

The policies and practices regarding the remuneration of Non-executive Directors and the remuneration of Executive Directors are set out in the Remuneration Policy.

A copy of the Policy can be accessed at [www.omnimarkettide.com](http://www.omnimarkettide.com).

**Recommendation 8.3**

A listed entity which has an equity-based remuneration scheme should:

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and
- (b) disclose that policy or a summary of it.

**Complies**

## 2 **Composition of the Board**

The names and profiles of the directors of the Company in office as at 31 December 2017, are set out at section 10 of the Directors' report.

The Constitution of the Company provides that the Company shall at all times have at least three Directors and that the number of Directors shall not exceed nine. Subject to the Corporations Act, the Company may, by ordinary resolution, increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office. Each year one third of the directors retire and may offer themselves for re-election.

## 3 **Role of the Board**

The primary responsibility of the Board is to represent and advance Shareholders' interests and to protect the interests of all stakeholders. To fulfil this role, the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals. The Board acts in the best interests of the Company as a whole and is accountable to shareholders for the overall direction and management of the Company.

The Board has adopted a Charter that details its roles and responsibilities, which is available on the Company's website.

Under the Board Charter the general responsibilities of the Board are to:

- (a) provide leadership and setting the strategic direction of the Company;
- (b) review on an ongoing basis how the Company's strategic environment is changing, what key risks and opportunities are appearing, how they are being managed and what, if any, modifications in strategic direction should be adopted;
- (c) oversee Management's implementation of the Company's strategic objectives and its performance generally;
- (d) appoint and when necessary remove the:
  - (i) the chairperson of the Board (**Chair**);
  - (ii) the Managing Director of the Company and approving or ratifying the appointment of other senior executives (**Senior Executives**); and
  - (iii) the company secretary (**Company Secretary**);
- (e) evaluate, approve and monitor the Company's annual budgets and business plans;
- (f) approve and monitor the progress of major capital expenditure;
- (g) determine the Company's dividend policy (if any) and oversee the financing of dividend payments (if any);
- (h) monitor the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- (i) monitor the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of its securities;
- (j) ensure that the Company has in place an appropriate risk management framework;
- (k) set the risk appetite within which the Board expects Management to operate;
- (l) approve the Company's remuneration framework;

- (m) monitor the effectiveness of the Company’s governance practises;
- (n) monitor and manage the performance of Senior Executives;
- (o) ensure that appropriate resources are available to Senior Executives;
- (p) approve and manage succession plans for Senior Executives and other key management positions that may be identified from time to time;
- (q) review and monitor any related party transactions; and
- (r) monitor the Company’s operations in relation to, and in compliance with, relevant regulatory and legal requirements.

**4 Matters Delegated to Management**

The Board has delegated responsibility for day to day management and administration of the Company to the Managing Director and the Company’s other Senior Executives. Note the Company currently does not have a Managing Director, so these responsibilities are currently managed by one Non-Executive Director and the CFO. The Managing Director (when in place) manages the Company in accordance with the strategy, plans and policies approved by the Board. Management is responsible for implementing the strategic objectives of and operating within the risk appetite set by the Board. Management is also responsible for providing the Board with accurate, timely and clear information to enable the board to perform its responsibilities.

Under the Board Charter the responsibilities of the Managing Director include:

- (a) developing and recommending to the Board strategies, business plans and annual budgets for the Company;
- (b) implementing the strategies, business plans and budgets adopted by the Board;
- (c) providing effective leadership, direction and supervision of the Senior Executive team to achieve the strategies, business plans and budgets adopted by the Board;
- (d) managing resources within budgets approved by the Board;
- (e) ensuring compliance with applicable laws and regulations; and
- (f) ensuring the Board is given sufficient information to enable it to perform its functions, set strategies and monitor performance.

**5 Board Structure**

The Company is committed to ensuring that the composition of the Board includes directors who bring an appropriate mix of skill, experience and expertise to Board decision making.

The Company maintains a Board skills matrix which sets out the mix of skills, experience and expertise the Board currently has and is looking to achieve in its membership. That skills matrix is reproduced below.

Skills Matrix							
	<i>Mgt.</i>	<i>Finance</i>	<i>Bus.</i>	<i>Law</i>	<i>Corp Gov</i>	<i>Tech</i>	<i>Special</i>
Howard Digby	✓		✓	✓			(1)
Andrew Lilley	✓	✓	✓	✓			

Peter Webse	✓	✓	✓	✓	✓
<b>Management:</b> High level decision making capacity and high level negotiating skills. Outstanding interpersonal skills with strong networks					
<b>Finance:</b> Qualified accountant with high level financial management skills, preferably in a public environment					
<b>Commerce or Business:</b> Business leadership experience, medium or large organisation. Commercial business experience; experience in a business development role.					
<b>Law:</b> Legal experience in areas such as commerce, corporate, technology, etc.					
<b>Corporate Governance:</b> Previous experience as a member of a Board, particularly public sector. Capacity to Chair Board					
<b>Technology:</b> Experience in development and commercialisation of new technologies.					

(1) Demonstrated experience in managing stakeholder relations.

**6 Independence of Directors**

The Board currently has two independent directors. Two of the three directors of the Company are shareholders.

Under the Board Charter the Board will include an independent, non-executive director who will also be the Chairman.

A register of directors' material interests is maintained and is regularly sent to each director for their review. If a director is involved with another company or professional firm that may have dealings with the Company, such dealings are at arm's length and on normal commercial terms

Given the Company's size, requirements and resources the Board considers the existing skills matrix of the Directors is currently highly appropriate.

**7 Evaluation of the Board and Senior Executives**

*Evaluation of the Board, sub-committees, and individual Directors*

An informal assessment process, facilitated by the Chairman in consultation with the Company's professional advisors, has been committed to by the Board in order to properly evaluate the performance of the Board, its sub-committees, and individual Directors.

During the financial period, an evaluation of the Board's performance was not conducted due to the significant change in the composition of the Board, however it is the Chairman's intention to conduct such a review in the first half of 2018.

*Evaluation of Senior Executives*

The Board continues monitor the performance of senior management, including measuring actual performance against planned performance.

During the financial period, an evaluation of senior executives was not conducted, however it is the Board's intention to do so in the first half of 2018.

**8 Remuneration**

The Company does not have a remuneration committee.

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the establishment of a remuneration committee. This Board and committee structure will be reviewed at the appropriate stages of the Company's development.



The full Board maintains responsibility for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

These responsibilities of the Board are set out in the Board Charter and the Remuneration Policy. A copy of the Board Charter and the Remuneration Policy can be accessed at [www.omnimarkettide.com](http://www.omnimarkettide.com).

Details as to the processes the Company employs for setting the level and composition of remuneration for directors and senior executives can be found in the Remuneration Report component contained with the Directors Report.

## 9 Committees

### 9.1 Finance, Audit and Risk Management Committee

The Company does not have a Finance, Audit and Risk Management Committee. The Board considers that the Company is not currently of a size, nor are its affairs of sufficient complexity, to justify the establishment of a Finance, Audit and Risk Management committee.

The Board and committee structure will be reviewed at the appropriate stages of the Company's development. The Board remains responsible for ensuring the Board has the appropriate balance of skill, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

The Finance, Audit and Risk Management responsibilities are set out below:

- (a) reviewing the financial strategy, financial performance and sustainability of the Company;
- (b) reviewing the integrity and acceptance of annual financial statements;
- (c) assuring an effective and independent audit and risk assessment function for the Company;
- (d) reviewing processes of governance, risk management and internal control in line with leading practice; and
- (e) reviewing internal processes and controls for ensuring compliance with statutory and regulatory requirements, codes of conduct and reasonable community expectations.

### 9.2 Nomination Committee

The Company does not have a nomination committee. The Board considers that the Company is not currently of a size, nor are its affairs of sufficient complexity, to justify the establishment of a nomination committee.

The Board and committee structure will be reviewed at the appropriate stages of the Company's development. The Board remains responsible for ensuring the Board has the appropriate balance of skill, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. The full Board also maintains responsibility for Board succession.

The nomination responsibilities of the Board are set out in the Board Charter. A copy of the Board Charter can be accessed at [www.omnimarkettide.com](http://www.omnimarkettide.com).

## 10 Diversity

The Company is committed to ensuring an inclusive workplace that encourages and embraces diversity. The Company is an equal opportunity employer and respects and welcomes people from all backgrounds.

The Company has a Diversity Policy in place to ensure the Company:

- (a) encourages a corporate culture that recognises and values diversity;
- (b) provides equal access and opportunities to all its employees; and
- (c) promotes a fair and balanced approach ensuring the appointment and advancement of employees is based on skill, performance and capability;

The Company's annual compliance report for the period ending 31 December 2017 is below.

	Diversity Schedule		
	Female	Male	% Female
Board	0	3	0%
Senior Management	0	1	0%
Technical	0	1	0%
Administration Staff	1	0	100%
<b>TOTAL excl. Board</b>	<b>1</b>	<b>2</b>	<b>33%</b>
<b>TOTAL incl. Board</b>	<b>1</b>	<b>5</b>	<b>16%</b>

During CY18, the Board will set a number of measurable diversity targets.

#### 11 Internal Audit

OMT's internal audit activities are yet to be fully developed. Primarily, this is due to the Company's small size.

Currently, the Finance, Audit, and Risk Management Committee is responsible for evaluating and continually improving the effectiveness of OMT's risk management and internal control processes. The Board believes that this process is sufficient given the currently small size and low complexity of OMT's risk management and internal control function.

#### 12 Code of Conduct

The Board acknowledges the importance of all directors and employees maintaining the highest standards of behaviour and ethical conduct when engaging in corporate activity and has adopted a Code of Conduct. The Code of Conduct sets out the minimum standards of conduct expected of all directors, officers, executives, employees and contractors of the Company.

The Code of Conduct applies to all all directors, officers, executives, employees and contractors of the Company (collectively **Employees**).

Under the Code of Conduct each Employee is generally expected to:

- (a) act in the best interests of the Company;
- (b) act honestly and fairly in all commercial dealings and conduct themselves with professional courtesy and integrity;
- (c) comply with all laws and regulations that apply to the Company and its operations;
- (d) report any circumstance which is believed, in good faith, to be a breach of a law or this Code; and

- (e) to avoid entering into any arrangement or participating in any activity that would conflict with Company's best interests or that would be likely to negatively affect the Company's reputation.

The full Code of Conduct is available on the Company's website.

### 13 **Securities Trading Policy**

The Company has adopted a Securities Trading Policy to minimise the risk of insider trading in the Company's securities consistent with good corporate governance principles. The policy applies to all Directors and employees of the Company and their spouses, children and related private entities as well as contractors, consultants, advisors and auditors of the Company (**Restricted Persons**).

The policy prohibits all Restricted Persons from trading in the Company's securities if they are in possession of inside information regarding the Company. Restricted Persons must also not communicate inside information to a person who may deal in Company Securities.

Restricted Persons must not trade in the Company's securities during close periods. Trading is generally permitted at other times provided there is no contravention of insider trading laws. The policy also restricts hedging and margin loan activities as well as short-term or speculative dealing in the Company's Securities by employees, including Restricted Persons.

The Company's Securities Trading Policy can be found on the Company's website.

### 14 **Continuous Disclosure**

The Company acknowledges that timely disclosure of price sensitive information is essential to the efficient operation of the Australian Securities Exchange's securities market. The Company Secretary has responsibility for overseeing and coordinating the Company's compliance with its continuous disclosure obligations.

### 15 **Shareholder Communication Policy**

The Company is committed to regularly communicating with its shareholders in a timely and accessible manner, and to encouraging shareholder participation at its meetings. The Company has adopted a Shareholder Communication Policy which sets out the processes by which the Company will strive to ensure that shareholders are provided with appropriate information and facilities to allow them to exercise their rights effectively.

Omni Market Tide is in the business of enhancing stakeholder engagement. To that end, omniLOOP, OMT's flagship investor engagement platform, was released to market in March 2016. The key value proposition of omniLOOP is to simplify current shareholder engagement processes, including information dissemination, voting, and meeting attendance.

OmniLOOP is the primary medium to promote effective communication with shareholders. OmniLOOP is in addition to the ASX announcements platform, and 'Investors' section of the Company's website. Where possible, all important Company events will be webcasted through omniLOOP.

A copy of the Shareholder Communication Policy can be accessed at [www.omnimarkettide.com](http://www.omnimarkettide.com).

### 16 **Meetings**

Notices for general meetings and other communications with shareholders are drafted to ensure that they are honest, accurate and not misleading, and that the nature of the business of the meeting is clearly stated and explained where necessary.

## DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF OMNI MARKET TIDE LIMITED

As lead auditor of Omni Market Tide Limited for the year ended 31 December 2017, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Omni Market Tide Limited and the entity it controlled during the period.



**Dean Just**

Director

**BDO Audit (WA) Pty Ltd**

Perth, 28 February 2018

# OMT ANNUAL REPORT 2017

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 \$	2016 \$
Sales Revenue		-	80,117
R&D Tax Income		557,964	-
Interest and other revenue		10,193	34,594
Employee and director benefits expense	4	(68,625)	(1,989,714)
Accountancy Fees		(10,030)	(150,968)
Consultancy Fees		(198,082)	(237,942)
Legal Fees/Transaction costs		(31,917)	(574,516)
Forgiveness of Legal Fees		184,462	-
Impairment of Intangible assets		-	(520,816)
Loss on Disposal of Fixed assets		(91,976)	-
General and administrative expenses		(123,278)	(353,952)
Rent		(51,681)	(54,468)
Research and development		(19,539)	(280,718)
Depreciation		(10,990)	(36,487)
Foreign exchange gain/(loss)		-	(969)
Marketing		(10,841)	(377,424)
Listing Expense		(67,191)	(27,671)
<b>Profit/(Loss) from ordinary activities before income tax</b>		<b>68,469</b>	<b>(4,490,934)</b>
Income tax benefit/(expense)	27	-	-
<b>Profit/(Loss) after tax for the period attributable to the members of Omni Market Tide Ltd</b>		<b>68,469</b>	<b>(4,490,934)</b>
Other comprehensive income		-	-
<b>Total comprehensive profit/(loss) for the period attributable to the members of Omni Market Tide Ltd</b>		<b>68,469</b>	<b>(4,490,934)</b>
Basic and diluted earnings/(loss) per share (cents per share)	19	0.07	(1.98)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# OMT ANNUAL REPORT 2017

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	963,959	187,739
Trade and other receivables	6	574,731	156,591
Other	7	2,087	4,045
<b>Total Current Assets</b>		<b>1,540,777</b>	<b>348,376</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	8	7,035	116,300
Other	9	-	31,375
<b>Total Non-Current Assets</b>		<b>7,035</b>	<b>147,676</b>
<b>TOTAL ASSETS</b>		<b>1,547,812</b>	<b>496,052</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	74,093	539,156
Provisions	11	-	12,996
Other	13	15,000	20,000
<b>Total Current Liabilities</b>		<b>89,093</b>	<b>572,152</b>
<b>Non-Current Liabilities</b>			
Convertible notes	12	-	250,000
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>250,000</b>
<b>TOTAL LIABILITIES</b>		<b>89,093</b>	<b>822,152</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>1,458,719</b>	<b>(326,100)</b>
<b>EQUITY</b>			
Issued capital	14	9,006,994	7,524,124
Share-based payments reserve	15	233,480	-
Accumulated losses	16	(7,781,755)	(7,850,224)
<b>TOTAL EQUITY/(DEFICIT)</b>		<b>1,458,719</b>	<b>(326,100)</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# OMT ANNUAL REPORT 2017

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
<b>Balance at 1 January 2016</b>	7,531,724	-	(3,359,290)	4,172,434
Loss for the year	-	-	(4,490,934)	(4,490,934)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(4,490,934)	(4,490,934)
<b>Transactions with owners in their capacity as owners:</b>				
Issue of Ordinary Shares, net of transaction costs	(7,600)	-	-	(7,600)
<b>Balance as 31 December 2016</b>	7,524,124	-	(7,850,224)	(326,100)

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
<b>Balance at 1 January 2017</b>	7,524,124	-	(7,850,224)	(326,100)
Profit for the year	-	-	68,469	68,469
Other comprehensive income for the year	-	-	-	-
Total comprehensive profit for the year	-	-	68,469	68,469
<b>Transactions with owners in their capacity as owners:</b>				
Issue of Ordinary Shares, net of transaction costs	1,482,870	-	-	1,482,870
Options issued	-	233,480	-	233,480
<b>Balance as 31 December 2017</b>	9,006,994	233,480	(7,781,755)	1,458,719

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# OMT ANNUAL REPORT 2017

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		78,957	38,165
Payments to suppliers and employees		(877,662)	(3,711,201)
GST Received		92,082	
Interest received		10,193	21,576
<b>Net cash outflows from operating activities</b>	<b>21</b>	<b>(696,430)</b>	<b>(3,651,460)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant & equipment		-	(25,015)
Development Expenditure		-	(4,691)
<b>Net cash outflows from investing activities</b>		<b>-</b>	<b>(29,706)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		1,400,000	-
Proceeds from issue of options		350	-
Proceeds from issue of convertible notes		150,000	250,000
Share issue costs		(84,000)	(7,600)
Proceeds from sale of fixed assets		6,300	2,000
<b>Net cash inflows from financing activities</b>		<b>1,472,650</b>	<b>244,400</b>
Net increase/(decrease) in cash and cash equivalents		776,220	(3,436,766)
Cash and cash equivalents at beginning of year	<b>5</b>	187,739	3,624,505
<b>NET CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<b>963,959</b>	<b>187,739</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 1. REPORTING ENTITY

Omni Market Tide Ltd is a listed public company incorporated and domiciled in Australia. The consolidated financial statements of the Company as at and for the year ended 31 December 2017 comprise the Company and its subsidiaries (together referred to as the “consolidated entity” or “Group”).

The consolidated financial statements were authorised by the Board of Directors on the date of signing of the Directors' Declaration.

### 2. BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Omni Market Tide Ltd is a company limited by shares. The financial report is presented in Australian currency. Omni Market Tide Ltd is a for-profit entity.

#### Historical Cost Convention

These financial statements have been prepared under the historical cost convention.

#### Significant Judgements and Key Assumptions

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

#### *Note 15: Issued Capital*

No value has been allocated to the Class A Performance Shares due to the significant uncertainty of meeting the two performance milestones.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 2. BASIS OF PREPARATION (CONTINUED)

#### *New or revised Standards and Interpretations that are first effective in the current reporting period*

The consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the consolidated entity's accounting policies and has had no effect on the amounts reported for the current or prior periods.

#### *Impact of standards issued but not yet applied by the entity*

There were no new standards issued since the beginning of the period that have been applied by Omni Market Tide Limited. The previous annual report disclosed that Omni Market Tide Limited anticipated no material impacts (amounts recognised and/or disclosed) arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2017.

#### Going Concern

For the year ended 31 December 2017, the Group generated a consolidated profit of \$68,469 (2016 - loss of \$4,490,934) and incurred operating cash outflows of \$696,430 (2016 - \$3,651,460). As at 31 December 2017, the Group had cash and cash equivalents of \$963,959 (2016 - \$187,739), a surplus of net current assets of \$1,451,683 (2016 deficit of \$223,776) and surplus of net assets of \$1,458,718 (2016 deficit of \$326,100).

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *(a) Basis of Consolidation*

The consolidated financial statements comprise the financial statements of Omni Market Tide Ltd and its subsidiary (the Group) as at 31 December 2017 or for any time during the year.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

#### *(b) Revenue Recognition*

Sales revenue comprises revenue earned (net of returns, discounts and allowances) from the sale of goods or provision of services to entities outside the Company. Rendering of services - Rendering of services revenue from App development charges is recognised by reference to the stage of completion of the contracts. Interest revenue is recognised using the effective interest method. It includes the amortisation of any discount or premium. The revenue is recognised over the time the interest is earned.

#### *(c) Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### *(d) Impairment of Assets*

At each reporting date, the Company determines whether there is any indication that assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income.

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

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *(e) Income Tax*

Income tax expense comprises current and deferred tax. Income tax expense is recognised in Consolidated Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither account nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Omni Market Tide Ltd and its wholly-owned Australian subsidiary have not formed an income tax consolidated group under the tax consolidation regime.

#### *(f) Cash and Cash Equivalents*

Cash and cash equivalents include cash on hand and deposits held at call with banks.

#### *(g) Financial Instruments*

##### *Recognition*

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

##### *Financial liabilities*

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

##### *Impairment*

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. Any impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *(h) Comparative Figures*

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

#### *(i) Critical Accounting Estimates and Judgments*

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

#### *(j) Financial Risk Management Objectives and Policies*

The Company's principal financial instruments comprise receivables, payables, cash and short-term deposits.

The Company manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets whilst protecting future financial security.

The main risks arising from the company financial instruments are interest rate risk and foreign currency risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Audit, Compliance and Risk Management Committee under authority of the Board. The Board reviews and agrees policies for managing each of the risks identified, including the setting of limits for credit allowances and future cash flow forecast projections.

#### *(k) Segment Reporting*

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker ("CODM"), which has been identified by the Company as the Managing Director and other members of the Board of directors.

#### *(l) Employee Entitlements*

The Company's liability for employee entitlements arising from services rendered by employees to reporting date is recognised in provisions. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave which will be settled within one year, have been measured at their nominal amount and include related on-costs.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *(m) Earnings Per Share*

##### *(i) Basic Earnings Per Share*

Basic earnings per share is determined by dividing the net loss attributable to the equity holder of the Company after income tax by the weighted average number of ordinary shares outstanding during the financial year.

##### *(ii) Diluted Earnings Per Share*

Diluted earnings per share adjusts the figures used in determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the year.

#### *(n) Trade and Other Receivables*

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Current receivables are generally due for settlement within 30 days. Cash on deposit is not due for settlement until rights of tenure are forfeited or performance obligations are met.

#### *(o) Trade and Other Payables*

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Company prior to the end of the financial period that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

#### *(p) Contributed Equity*

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

#### *(q) Contingent Liabilities*

A contingent loss is recognised as an expense and a liability if it is probable that future events will confirm that after taking into account any related probable recovery, an asset has been impaired or a liability incurred and, a reasonable estimate of the amount of the resulting loss can be made.

#### *(r) 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.

#### *(s) Research and Development*

The Company expenses all research costs as incurred. The amounts incurred in respect of development costs are only recognised as a development asset when there is a high probability that the Company will have the ability to generate sales with respect to that asset.

Following initial recognition of development expenditure as a development asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Consideration of amortisation of the asset begins when development is complete and the asset is available for use. Currently development has not yet been finalised. Amortisation is recorded in other expenses. During the period of development, the asset is tested for impairment annually.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (t) Share-Based Payment Arrangements

Goods or services received or acquired in share-based payment transactions are recognised as an increase in equity if the goods or services were received in an equity-settled share-based payment transaction or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

For equity-settled share-based transactions, goods or services received are measured directly at the fair value of the goods or services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Transactions with employees and others providing similar services are measured by reference to the fair value at grant date of the equity instrument granted using a Black-Scholes option pricing model.

#### (u) Plant and Equipment

Items of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that carrying value may not be recoverable. If any such indication exists and where the carrying amount values exceeds the estimated recoverable amount the assets are written down to the recoverable amounts.

The depreciable amount of all fixed assets is depreciated on a straight line basis or diminishing value (whichever is more appropriate) over their useful lives to the entity commencing from the time the asset is held ready for use.

The effective lives used for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Effective Life</u>
Plant and Equipment	3-10 years
Leasehold Improvements	10-40 years

### 4. EMPLOYEE AND DIRECTOR BENEFITS EXPENSE

	2017	2016
	\$	\$
Directors fees	75,150	123,704
Employee wages	2,657	1,499,864
Superannuation	3,452	136,740
Payroll tax	(1,553)	68,222
Staff Recruiting	(3,957)	150,818
Staff training, reimbursements and other benefits	(7,124)	10,366
	<u>68,625</u>	<u>1,989,714</u>

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 5. CASH AND CASH EQUIVALENTS

	2017	2016
	\$	\$
Cash at bank and on hand	63,959	187,739
Term Deposits	900,000	-
	<u>963,959</u>	<u>187,739</u>

### 6. TRADE AND OTHER RECEIVABLES

	2017	2016
	\$	\$
<b>Current</b>		
Trade receivables	-	78,957
R&D tax refund receivable	557,964	-
GST Receivable	16,767	77,634
	<u>574,731</u>	<u>156,591</u>

Trade receivables are non-interest bearing and are generally on 14 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. No impairment loss has been recognised by the entity in the current year.

At 31 December 2017, the ageing analysis of trade receivables is as follows:

	Total	0-30 Days	31-60 days PDNI*	61-90 Days PDNI*	+91 days PDNI*	+91 days CI*
As at 31 December 2017	-	-	-	-	-	-
As at 31 December 2016	78,957	78,957	-	-	-	-

\*Past due not impaired ('PDNI'), Considered impaired ('CI')

Receivables past due but not considered impaired are \$nil (2016: \$nil).

Other balances within trade and other receivables do not contain impaired assets and are not past due.

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

Information about the impairment of trade and other receivables, their credit quality and the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 24.

The R&D tax refund receivable relates to a Research and Development expenditure claim for eligible R&D undertaken in the development of the OMT suite of software products undertaken in 2016. The R&D claim was lodged on 18 October 2017 and was based on eligible R&D expenditure totalling \$1,239,921 during the 2016 calendar year. The R&D return was loaded on the ATO portal on 8 January 2018 and is going through final checks and balances with the ATO.



# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 7. OTHER CURRENT ASSETS

	2017	2016
	\$	\$
Prepayments	2,087	4,045
	<u>2,087</u>	<u>4,045</u>

#### *Nature of Prepayments*

The prepayments figure relates to prepaid office rent incurred during the year.

### 8. PROPERTY, PLANT AND EQUIPMENT

	2017	2016
	\$	\$
Leasehold improvements – at cost	-	67,039
Less: Accumulated depreciation	-	(3,905)
	-	<u>63,134</u>
Plant and equipment – at cost	16,880	89,893
Less: Accumulated depreciation	(9,845)	(36,727)
	<u>7,035</u>	<u>53,166</u>
	<u>7,035</u>	<u>116,300</u>

#### *Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Leasehold improvements	Plant and Equipment	Total
Balance at 1 January 2016	65,174	64,378	129,552
Additions	1,460	23,560	25,020
Disposals	-	(1,784)	(1,784)
Depreciation expense	(3,500)	(32,987)	(36,487)
Balance at 31 December 2016	63,134	53,167	116,301
Additions	-	-	-
Disposals	(61,446)	(36,831)	(98,277)
Depreciation expense	(1,688)	(9,301)	(10,989)
Balance at 31 December 2017	<u>-</u>	<u>7,035</u>	<u>7,035</u>

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 9. OTHER NON-CURRENT ASSETS

	2017	2016
	\$	\$
Security deposits	-	31,375
	-	31,375

### 10. TRADE AND OTHER PAYABLES

	2017	2016
	\$	\$
<b>Current:</b>		
Trade payables	74,093	539,156
	74,093	539,156

Due to their short-term nature, the carrying amount of trade payables are assumed to be the same as their fair values.

### 11. PROVISIONS

	2017	2016
	\$	\$
<b>Current:</b>		
Employee benefits	-	12,996
	-	12,996

### 12. CONVERTIBLE NOTES

	2017	2016
	\$	\$
Proceeds from issue of convertible notes	-	250,000
	-	250,000

### 13. OTHER CURRENT LIABILITIES

	2017	2016
	\$	\$
Accrued Expenses – audit fees	15,000	20,000
	15,000	20,000

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 14. ISSUED CAPITAL

	2017 Shares	2016 Shares	2017 \$	2016 \$
Ordinary shares - fully paid	150,657,180	226,568,898	9,006,994	7,524,724

#### *Movements in ordinary share capital*

Details	Date	No of shares	\$
Balance	1 Dec 2015	1,000,000	370,902
GRT App Pty Ltd shares eliminated on completion of Omni Market Tide Ltd acquisition	July 2015	(1,000,000)	-
Omni Market Tide Ltd shares on issue at acquisition date	July 2015	26,568,898	-
Issue of Shares for cash pursuant to Public Offer	July 2015	50,000,000	5,000,000
Issue of Shares as consideration for the acquisition of Omni Market Tide Ltd	July 2015	150,000,000	2,656,890
Costs of share issue	July 2015		(496,068)
Balance	31 Dec 2015	226,568,898	7,531,724
Costs of share issue	Jan 2016		(7,600)
Balance	31 Dec 2016	226,568,898	7,524,124
10 for 1 share consolidation		22,657,180	-
Shares issued on conversion of convertible notes	June 2017	16,000,000	400,000
Shares issued from Placement	June 2017	112,000,000	1,400,000
Costs of share issue	June 2017		(84,000)
Share issue costs – options valuation	June 2017		(233,130)
Balance	31 Dec 2017	150,657,180	9,006,994

In addition to the above, the following Performance Shares and Options have been issued in Omni Market Tide Ltd

- 3,000,000 unquoted Class A Performance Shares. These are convertible to ordinary shares as the Company exceeds varying audited revenue thresholds (detailed below). Given the Company's long-term growth is largely determined by commercialisation of the Company's stakeholder engagement platform and associated technologies, the Class A Performance Shares are subject to performance hurdles measured against audited revenue of the business. The quantum of distribution of the Class A Performance Shares on issue is detailed in the table below.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 14. ISSUED CAPITAL (CONTINUED)

Performance Hurdles	Number Issued	Term of Expiry
The audited revenue of GRT App during any financial year being equal to or greater than \$3,000,000.	750,000	31 December 2018
The audited revenue of GRT App during any financial year being equal to or greater than \$4,000,000.	750,000	31 December 2018
The audited revenue of GRT App during any financial year being equal to or greater than \$6,000,000.	750,000	31 December 2018
The audited revenue of GRT App during any financial year being equal to or greater than \$8,000,000.	750,000	Must be converted on or before 22 July 2020

There were no performance shares converted or redeemed during the period and no performance milestones were met.

- 2,500,000 quoted options exercisable at \$1.00 on or before 31 December 2018.
- 35,000,000 unquoted options exercisable at 2.5 cents per share on or before 31 March 2021. These options were issued during the year in partial consideration of the placement undertaken in May 2017. The options vested and were exercisable on issue.

The fair value of these options granted was calculated as 0.67 cents each by using the Binomial option valuation methodology and applying the following inputs:

Weighted average exercise price (cents):	2.5
Weighted average life of options (years):	3.5
Weighted average underlying share price (cents):	1.25
Expected share price volatility:	100%
Risk-free interest rate:	1.78%

### Capital Management

When managing capital, the Board's objective is to ensure the Group continues as a going concern as well as to maximise the returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

The Group was not subject to any externally imposed capital requirements during the year.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 15. SHARE BASED PAYMENTS RESERVE

	<b>Consolidated 2017</b>	<b>Consolidated 2016</b>
	<b>\$</b>	<b>\$</b>
Amounts paid on issue of options	350	-
Option valuation reserve	233,130	-
	<u>233,480</u>	<u>-</u>

#### **Movements in options on issue:**

Balance at the beginning of the financial year

10 for 1 Share consolidation

Options issued to Forrest Capital pursuant to Placement in May 2017

Balance at the end of the financial year

	<b>Year ended 30 June 2017</b>	
	<b>No. of Options</b>	<b>\$</b>
	25,000,000	-
	2,500,000	-
	<u>35,000,000</u>	<u>233,480</u>
	<b><u>37,500,000</u></b>	<b><u>233,480</u></b>

### 16. ACCUMULATED LOSSES

	<b>Consolidated 2017</b>	<b>Consolidated 2016</b>
	<b>\$</b>	<b>\$</b>
Balance at the beginning of the financial year	(7,850,224)	(3,359,290)
Net loss attributable to members	68,469	(4,490,934)
Balance at the end of the financial year	<u>(7,781,755)</u>	<u>(7,850,224)</u>

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 17. RELATED PARTY TRANSACTIONS

#### (a) Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2017	2016
	\$	\$
Short-term employee benefits	189,058	724,650
Post-employment benefits	-	43,670
Share-based payments	-	-
	<u>189,058</u>	<u>768,320</u>

#### (b) Other Key Management Personnel Disclosures

Former Non-Executive Chairman, Mr Glenn Vassallo, is the Managing Director of GRT Lawyers Pty Ltd. During the 2017 year, legal fees amounting to \$184,642 were forgiven by GRT Lawyers as part of the Company's recapitalisation. In the prior year the Company incurred fees for legal advisory services to GRT Lawyers Pty Ltd in the amount of \$540,660. These legal fees related to general legal advice and business contracts. All transactions were conducted on normal commercial terms. In addition to the above, Mr Vassallo is the Managing Director of Glize Business Pty Ltd. During the 2017 year, the Company paid directors fees for services to Glize Business Pty Ltd in the amount of \$22,013 (ex GST) (2016 - \$31,250). All transactions were conducted on normal commercial terms.

Former Non-Executive Director, Mr Richard Dennis, is the Managing Director of Dennis Corporate Advisory. During the 2017 year, the Company paid directors fees for services to Dennis Corporate Advisory in the amount of \$14,583 (ex GST) (2016 - \$19,435). All transactions were conducted on normal commercial terms.

Former Non-Executive Director, Mr Bryan Granzien, is the Managing Director of Bryjan Enterprises Pty Ltd. During the 2017 year, the Company paid directors fees and consulting fees to Bryjan Enterprises Pty Ltd in the amount of \$12,500 (ex GST) (2016 - \$93,083). All transactions were conducted on normal commercial terms.

Current Non-Executive Chairman, Mr Howard Digby, is the Managing Director of Bandra Consulting. During the 2017 year, the Company paid directors fees to Bandra Consulting in the amount of \$15,418 (ex GST) (2016 - nil). All transactions were conducted on normal commercial terms.

Current Non-Executive Director, Mr Peter Webse, is the Managing Director of Platinum Corporate Secretariat Pty Ltd. During the 2017 year, the Company paid directors fees and expenses to Platinum Corporate Secretariat Pty Ltd in the amount of \$3,135 (ex GST) (2016 - nil). All transactions were conducted on normal commercial terms.

Aggregate amounts of each of the above types of other transactions with key management personnel of Omni Market Tide Ltd are as follows:

	2017	2016
	\$	\$
<b>Payments to related parties</b>		
Legal Fees (Writeback)	(184,642)	540,660
Directors fees	67,649	52,768
Consultancy	-	91,000
Taxation and Accountancy	-	158,894
	<u>(116,993)</u>	<u>752,322</u>
Balance outstanding at year end		
Trade Payables – Legal fees	-	202,908
	<u>-</u>	<u>202,908</u>

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 18. AUDITOR'S REMUNERATION

	2017	2016
	\$	\$
Paid and payable remuneration of the auditor of the parent entity for:		
BDO Audit (WA) Ltd		
Auditing and review of financial reports	26,900	35,206
Prepare tax returns	4,080	-
BDO Queensland		
Prepare Investigating Accountants Report & Corporate Advisory Services	7,093	92,906
	<u>38,073</u>	<u>128,112</u>

### 19. EARNINGS PER SHARE

Earnings used in calculating earnings per share

	2017	2016
	\$	\$
Net Profit/(Loss) after income tax	<u>68,469</u>	<u>(4,490,934)</u>
Net Profit/(Loss) after income tax attributable to the owners of Omni Market Tide Limited	<u>68,469</u>	<u>(4,490,934)</u>
Basic earnings/(loss) per share attributable to equity holders (cents per share)	0.07	(1.98)
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	95,248,961	226,568,898

Options outstanding during the year have not been taken into account in the calculation of the weighted average number of shares as they are not considered dilutive.

Performance shares are not considered to be dilutive as their conversion to ordinary shares would reduce the loss attributable to members.

### 20. GROUP ENTITIES

#### Parent Entity

The legal and ultimate parent of the group is Omni Market Tide Ltd. The consolidated financial statements include the financial statements of the subsidiary listed in the following table.

Name	Principal place of business / Country of incorporation	Ownership interest	
		2017 %	2016 %
OMT Operations (AU) Pty Ltd	Australia	100%	100%

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 21. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2017 \$	2016 \$
<b>Cash Flows from operating activities</b>		
Profit/(Loss) for the year	68,469	(4,490,934)
Non-cash flows in profit / (Loss):		
Depreciation	10,990	36,482
(Profit)/Loss on sale of fixed assets	91,976	(216)
Impairment of Intangible Assets	-	520,816
Increase / (Decrease) in trade payables	(470,063)	217,641
Increase / (Decrease) in other current liabilities	(12,996)	(26,765)
Decrease / (Increase) in trade receivables	80,914	1,711
Decrease / (Increase) in other current assets	(465,720)	84,036
Decrease / (Increase) in other non-current assets	-	5,768
Net cash from operating activities	<u>(696,430)</u>	<u>(3,651,460)</u>



# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 22. PARENT ENTITY INFORMATION

	2017	2016
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	963,928	-
Trade and other receivables	574,730	156,592
Loans and other receivables	-	187,739
Other	2,087	4,045
<b>Total Current Assets</b>	<b>1,540,745</b>	<b>348,376</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	7,035	116,301
Other	-	31,375
<b>Total Non-Current Assets</b>	<b>7,035</b>	<b>147,676</b>
<b>TOTAL ASSETS</b>	<b>1,547,780</b>	<b>496,052</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	74,094	539,156
Provisions	-	12,996
Other	15,000	20,000
<b>Total Current Liabilities</b>	<b>89,094</b>	<b>572,152</b>
<b>Non-Current Liabilities</b>		
Convertible Notes	-	250,000
Provisions	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>250,000</b>
<b>TOTAL LIABILITIES</b>	<b>89,094</b>	<b>822,152</b>
<b>NET ASSETS</b>	<b>1,458,686</b>	<b>(326,100)</b>
Changes in assets and liabilities:		
Issued capital	8,375,423	7,092,553
Share based payments reserve	233,480	-
Accumulated losses	(7,150,217)	(7,418,653)
<b>TOTAL EQUITY</b>	<b>1,458,686</b>	<b>(326,100)</b>

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 23. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operation of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

### 24. FINANCIAL RISK MANAGEMENT

The entity's financial instruments consist mainly of deposits with banks, accounts receivables and payable.

#### *1. Treasury Risk Management*

An Audit, Compliance and Risk Committee consist of board members who meet to analyse financial risk exposure, and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The board's overall risk management strategy seeks to assist the entity in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the board. These include the use of credit risk policies and future cash flow requirements.

#### *2. Financial Risk Exposures and Management*

The main risks the entity is exposed to through its financial instruments are interest rate risk and foreign exchange rate risk.

The entity is exposed to fluctuations in foreign currencies arising from the purchase of services in currencies other than the entity's measurement currency.

##### **(a) Interest rate risk**

The entity is exposed to interest rate risk at the date of this report via its cash holdings.

The entity does not currently have any formal policies in place regarding interest rate risk as it is not considered significant.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 24. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (b) Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows and ensuring sufficient cash reserves are on hand to meet obligations.

#### (c) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The entity does not currently have any formal policies in place regarding credit risk as it is not considered significant.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available).

	2017	2016
	\$	\$
Cash and Cash Equivalents	963,959	187,739
	963,959	187,739

#### (d) Financial instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the statement of financial position.

	Range of effective interest rate	Variable interest rate	Fixed Interest		Total Contractual Cash Flows	Non-interest bearing	Total
			1 Year or less	Over 1 to 5 years			
	%	\$	\$	\$	\$	\$	\$
<b>31 December 2017</b>							
Financial Assets							
Cash and cash equivalents	Nil-1.5%	61,116	900,000	-	-	2,843	963,959
Loans and other receivables		-	-	-	-	576,818	576,818
		61,116	900,000	-	-	579,661	1,540,777
Financial Liabilities							
Trade and other payables		-	-	-	-	89,094	89,094
Other financial liabilities		-	-	-	-	-	-
		-	-	-	-	89,094	89,094

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 24. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (d) Financial Instrument composition and maturity analysis (Continued)

	Range of effective interest rate %	Variable interest rate \$	Fixed Interest		Total Contractual Cash Flows \$	Non-interest bearing \$	Total \$
			1 Year or less \$	Over 1 to 5 years \$			
<b>31 December 2016</b>							
Financial Assets							
Cash and cash equivalents	Nil-1.5%	187,739	-	-	-	-	187,739
Loans and other receivables		-	-	-	-	156,592	156,592
		187,739	-	-	-	156,592	344,331
Financial Liabilities							
Trade and other payables		-	-	-	-	539,156	539,156
Convertible Notes		-	-	-	-	250,000	250,000
Other financial liabilities		-	-	-	-	12,996	12,996
		-	-	-	-	802,152	802,152

	2017 \$	2016 \$
Trade and other payable are expected to be paid as follows:		
Less than 6 months	89,094	539,156
6 months to 1 year	-	-
1 to 5 years	-	-
Over 5 years	-	-
	89,094	539,156

#### (e) Fair Value Measurement

For all assets and liabilities net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments of which the entity has no holdings in. Financial assets where the carrying amount exceeds net fair values have not been written down as the Company intends to hold these assets to maturity. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

There are no financial assets or liabilities that are carried at fair value in the financial statements therefore no additional disclosures have been made with respect to fair value measurement.

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 24. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (f) Sensitivity Analysis

##### *Interest Rate Risk*

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk, and price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

##### *Interest Rate Sensitivity Analysis*

At 31 December 2017, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	<b>Consolidated 2017</b>	<b>Consolidated 2016</b>
	<b>\$</b>	<b>\$</b>
<b>Change in profit</b>		
Increase in interest rate by 2%	15,287	35,185
Decrease in interest rate by 2%	(15,287)	(35,185)
<b>Change in equity</b>		
Increase in interest rate by 2%	15,287	35,185
Decrease in interest rate by 2%	(15,287)	(35,185)

### 25. CONTINGENT LIABILITIES

There were no contingent liabilities as at the date of this report.

### 26. COMMITMENTS

	<b>Consolidated 2017</b>	<b>Consolidated 2016</b>
	<b>\$</b>	<b>\$</b>
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	15,565	-
After one year but not more than five years	4,620	-

# OMT ANNUAL REPORT 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 27. INCOME TAX

#### Major components of income tax expense

	Consolidated 2017 \$	Consolidated 2016 \$
<b>Accounting profit/(loss) before income tax</b>	68,469	(4,490,934)
Income tax expense/(benefit) at the Company's statutory rate of 28.5% (2016 – 28.5%)	19,514	(1,279,916)
Permanent differences	-	120,700
Temporary differences and losses not recognised	(19,514)	1,159,216
	<u>-</u>	<u>-</u>

No deferred tax assets have been recognised as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences can be utilised.

The benefit for tax losses will only be obtained if:

- the Company derives future assessable income in Australia of a nature and of an amount sufficient to enable the benefit from deductions for the losses to be realised;
- the Company continues to comply with the conditions for deductibility imposed by tax legislation in Australia; and
- there are no changes in tax legislation in Australia which will adversely affect the Company in realising the benefit from deductions for the losses.

### 28. SEGMENT INFORMATION

The consolidated entity is organised into one main operating segment. All of the consolidated entity's activities are interrelated and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the consolidated entity as one segment. The financial results from this segment are equivalent to the financial statements of the consolidated entity as a whole.

# OMT ANNUAL REPORT 2017

## DIRECTORS' DECLARATION

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 38 to 63 are in accordance with the Corporations Act 2001 and:
  - a. comply with Accounting Standards and the Corporations Regulations 2001 other mandatory professional reporting requirements; and
  - b. give a true and fair view of the financial position as at 31 December 2017 and of the performance for the financial year ended on that date of the Company and entity; and
  - c. complies with International Financial Reporting Standards as disclosed in note 1.
2. the Chief Executive Officer (or equivalent) and Chief Financial Officer (or equivalent) have each declared that:
  - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
  - b. the financial statements and notes for the financial year comply with Accounting Standards; and
  - c. the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Howard Digby

Chairman

Dated this 28<sup>th</sup> February 2018

## INDEPENDENT AUDITOR'S REPORT

To the members of Omni Market Tide Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Omni Market Tide Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2017 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## Accounting for Share-based Payments

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>During the year ended 31 December 2017, the entity issued options to advisors, which the entity has accounted for as a cost of capital raising.</p> <p>Share-based payments is a complex accounting area including assumptions utilised in the fair value calculations and judgements regarding the options issued during the year. There is a risk in the financial statements that amounts are incorrectly recognised and/or inappropriately disclosed.</p> <p>Refer to Notes 3, 14 and 15 of the financial report for a description of the accounting policy and significant estimates and judgements applied to these transactions.</p>	<p>Our procedures in respect of this area included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtaining and understanding the relevant agreements;</li> <li>• Assessing the inputs and assumptions used to measure the share-based payment;</li> <li>• Recalculating the estimated fair value using the Black-Scholes option valuation methodology; and</li> <li>• Assessing the adequacy of the related disclosures in Notes 3, 14 and 15 to the Financial Statements.</li> </ul>

### Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the directors for the Financial Report

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

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



### **Auditor's responsibilities for the audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar1.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf)

This description forms part of our auditor's report.

### **Report on the Remuneration Report**

#### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in paragraphs 19 to 25 of the directors' report for the year ended 31 December 2017.

In our opinion, the Remuneration Report of Omni Market Tide Limited, for the year ended 31 December 2017, complies with section 300A of the *Corporations Act 2001*.

#### **Responsibilities**

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.

**BDO Audit (WA) Pty Ltd**

A handwritten signature in blue ink, appearing to read 'Dean Just', written over a faint, larger 'BDO' logo.

**Dean Just**

**Director**

Perth, 28 February 2018

1 **Additional information for listed public companies**

(a) ASX additional information

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 31 March 2018.

(b) Substantial shareholders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total issued shares
Oaktone Nominees Pty Ltd <Grist Super Fund a/c>	16,025,000	10.637%
JK Nominees Pty Limited	16,000,000	10.620%
Tisia Nominees Pty Limited <Henderson Family a/c>	16,000,000	10.620%
Glize Super Fund Pty Ltd	13,039,700	8.655%

(c) Voting rights

(i) Ordinary Shares

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(ii) Options

No voting rights.

(d) Distribution schedule of listed fully paid ordinary shares

Holdings ranges	Holders	Number held	% of total issued shares
1 – 1,000	577	44,268	0.029
1,001 – 5,000	164	469,729	0.312
5,001 – 10,000	36	298,400	0.198
10,001 – 100,000	78	2,704,761	1.795
100,001 and above	48	147,140,022	97.685
<b>Totals</b>	<b>903</b>	<b>150,657,180</b>	<b>100.000</b>

(e) Marketable parcels

	Holders	Number held	% of total issued shares
Unmarketable	793	1,013,686	0.673
Marketable	110	149,643,494	99.327
<b>Totals</b>	<b>903</b>	<b>150,657,180</b>	<b>100.000</b>

## (f) Twenty largest shareholders

The names of the twenty largest holders of listed fully paid ordinary shares:

	Ordinary shares	
	Number held	% of total issued shares
TISIA NOMINEES PTY LTD <HENDERSON FAMILY A/C>	16,025,000	10.637%
OAKTONE NOMINEES PTY LTD <GRIST SUPER FUND A/C>	16,000,000	10.620%
JK NOMINEES PTY LTD <THE JK A/C>	16,000,000	10.620%
GLIZE SUPER FUND PTY LTD	10,000,000	6.638%
KOBIA HOLDINGS PTY LTD	6,000,000	3.983%
CABLETIME PTY LTD <INGODWE A/C>	6,000,000	3.983%
SPENCELEY MANAGEMENT PTY LTD <SPENCELEY FAMILY A/C>	5,517,834	3.663%
SPO EQUITIES PTY LIMITED <MARCH STREET EQUITY A/C>	4,350,000	2.887%
BLU BONE PTY LTD	4,038,958	2.681%
WATEROX PTY LTD <TIEN CHAI A/C>	4,000,000	2.655%
MR DANIEL JOHN BAHEN & MRS LORRAINE MARY BAHEN <DANIEL JOHN BAHEN S/F A/C>	4,000,000	2.655%
RAVENHILL INVESTMENTS PTY LTD <HOUSE OF EQUITY A/C>	4,000,000	2.655%
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	3,948,435	2.621%
IP PAYOVATION PTY LTD	3,923,805	2.604%
MSQ NOMINEES PTY LTD <MSQ INVESTMENT TRUST NO. 1 A/C>	3,919,050	2.601%
FERNLAND HOLDINGS PTY LTD <THE CELATO A/C>	3,750,000	2.489%
MR DAVID JERIMIAH MCAULIFFE <THE LAZY D9M INVESTMENT A/C>	3,600,000	2.390%
6466 INVESTMENTS PTY LTD	3,275,000	2.174%
MR ANDREW RICHARD LILLEY	3,200,000	2.124%
BROWN BRICKS PTY LTD <HM A/C>	3,200,000	2.124%
	<b>124,748,082</b>	<b>82.803%</b>

## (g) Distribution schedule of listed options exercisable at \$1.00 and expiring 31 December 2018

Holdings ranges	Holders	Number held	% of total issued options
1 – 1,000	79	76,023	3.041
1,001 – 5,000	58	160,915	6.437
5,001 – 10,000	21	193,616	7.745
10,001 – 100,000	32	941,331	37.653
100,001 and above	5	1,128,121	45.125
<b>Totals</b>	<b>195</b>	<b>2,500,006</b>	<b>100.000</b>

## (h) Twenty largest listed option holders

The names of the twenty largest holders of listed options exercisable at \$1.00 and expiring 31 December 2018

	Options	
	Number held	% of total options
CONRAD JOSEPH LAWRENCE GOODGER	404,794	16.192%
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	247,750	9.910%
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	214,264	8.571%
SPO EQUITIES PTY LIMITED <MARCH STREET EQUITY A/C>	150,000	6.000%
ADJO INVESTMENTS PTY LTD	111,313	4.453%
MR MATTHEW FOY	97,083	3.883%
CITICORP NOMINEES PTY LIMITED	75,000	3.000%
UBS NOMINEES PTY LTD	75,000	3.000%
NATIONAL NOMINEES LIMITED	60,000	2.400%
UGUMJIL PTY LTD <UGUMJIL A/C>	55,000	2.200%
FIRST INVESTMENT PARTNERS PTY LTD	50,000	2.000%
NTJ INVESTMENTS PTY LTD <NTJ INVESTMENT A/C>	40,000	1.600%
MRS DANA ANDREA ROSENZWEIG	37,500	1.500%
GREEN MOUNTAINS INVESTMENTS LTD	37,500	1.500%
PROSPECT CUSTODIAN LIMITED	25,000	1.000%
SASIGAS NOMINEES PTY LTD <FLETCHER M BRAND FAMILY A/C>	25,000	1.000%
ASIAN TRADING GROUP PTY LIMITED	25,000	1.000%
MR JOEL ROBERT CADDY	21,667	0.867%
MR RUDOLPH JAN HEITBAUM & MRS REBECCA JANE HEITBAUM	21,000	0.840%
BRAHMA FINANCE BVI LIMITED	20,000	0.800%
	<b>1,892,871</b>	<b>75.715%</b>

## (i) Distribution schedule of unlisted options exercisable at 2.5 cents and expiring 31 March 2021

Holdings ranges	Holders	Number held	% of total options
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	8	35,000,000	100.000
<b>Totals</b>	<b>8</b>	<b>35,000,000</b>	<b>100.000</b>

## (j) Distribution schedule of unlisted Performance Shares Class A

Holdings ranges	Holders	Number held	% of total issued performance shares
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	6	3,000,000	100.000
<b>Totals</b>	<b>6</b>	<b>3,000,000</b>	<b>100.000</b>

## (k) Securities subject to escrow

There are no securities subject to escrow.