2016 ANNUAL REPORT

Consolidated Annual Financial Report
for the Period Ended 31 March 2016

FLEXIROAM LIMITED AND ITS CONTROLLED ENTITIES
ACN 143 777 397

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CORPORATE INFORMATION

This annual report is for Flexiroam Limited and its controlled entities. Unless otherwise stated, all amounts are presented in $AUD.

DIRECTORS	Jefrey Ong (appointed 18 March 2015) Adam Sierakowski (appointed 18 March 2015) Stephen Hewitt-Dutton (appointed 21 May 2010) Dato' Larry Gan Nyap Liou (appointed 18 November 2015) Dr Joe Wong (alternate director to Dato' Larry Gan Nyap Liou, appointed 18 November 2015) Iik Kho (Gerard Kho) (appointed 18 March 2015, resigned 14 October 2015) Paul Khong (appointed 22 April 2016)
COMPANY SECRETARY	Kim Hogg (appointed 15 June 2016) Deborah Ho (appointed 18 March 2015, resigned 15 June 2016)
REGISTERED OFFICE	79 Broadway NEDLANDS WA 6009
PRINCIPAL PLACE OF BUSINESS	22-2 Jalan PJU 8/3A, Bandar Damansara Perdana, 47820, Petaling Jaya, Selangor D.E., Malaysia
AUDITORS	HLB Mann Judd Level 4, 130 Stirling Street PERTH WA 6000
BANKERS	National Australia Bank 100 St Georges Terrace PERTH WA 6000
SOLICITORS	Price Sierakowski Corporate Level 24, 44 St Georges Terrace PERTH WA 6000
SHARE REGISTRY	Advance Share Registry 110 Stirling Highway NEDLANDS WA 6009 Ph : 08 9389 8033 Fax : 08 9262 3723
SECURITIES EXCHANGE LISTING	Flexiroam Limited shares are listed on the Australian Securities Exchange (ASX code : FRX)
WEBSITE	www.flexiroam.com
CONTACT INFORMATION	Ph: 08 6389 2688 Fax: 08 6389 2588

CHIEF EXECUTIVE OFFICER'S REPORT

Dear Shareholders,

The Future Is Here

The 9-month period ended 31 March 2016 had been a challenging but transformational time for the Company. During this period we successfully developed the FLEXIROAM Voice APP and FLEXIROAM X (Data APP & MICROCHIP).

The FLEXIROAM Voice APP has an OTT (Over the Top) application that provides voice, messaging and video functionalities for iOS and Android devices.

FLEXIROAM X on the other hand is an ultra-thin SIM sticker that when applied over users' existing SIM, will give the user's phone dual-sim capability and connect their phones to Flexiroam network on a permanent basis. We believe this will prolong the lifetime value of our customers. FLEXIROAM X is the first mobile app of its kind that enables users to accumulate up to 100GB of data and to be used in 100 countries.

We believe FLEXIROAM X is poised to change the landscape of the budget roaming industry and propel Flexiroam to join the ranks of future telecommunication players.

Continuous Innovation

Our business philosophy is to go light on capital expenditure but heavy on "soft assets". During the 9-month period under review, we spent extensively on marketing and branding to prepare for the launch of both FLEXIROAM Voice APP and FLEXIROAM X. We increased the size of personnel, gathering talent from around the world to grow the team from 34 to 46 strong. Each team member played their crucial and critical roles in product development and as a testament to their ingenuity on innovation we managed to file 3 patents in this financial year.

Financial Performance

Fueled by huge increases in sales to travel agencies, Flexiroam recorded tremendous growth in revenue compared to the previous financial year. However, this favourable revenue result was achieved at the expense of profit margin owing to large customer acquisition costs. Following the introduction of FLEXIROAM X, we have migrated all transactions from offline sales channels to online allowing our business model to realise its full scaling potential with lower customer acquisition costs.

Appreciation

Thank you to all our stakeholders for your encouragement and ongoing commitment to support the Company's growth ambitions. We welcome new shareholders and we thank all of those who joined the register with our listing on the ASX in June 2015. We firmly believe the future will present considerable opportunities to expand and we are determined to maximise value for all shareholders as we continue our journey to improve mobile roaming technology.

We would like to extend our gratitude to our team of professionals for all their hard work and dedication in 2016. We achieved significant sales growth in 2016 and this performance would not have been possible without the outstanding contribution of our team.

We look forward to updating you on our progress in the year ahead.

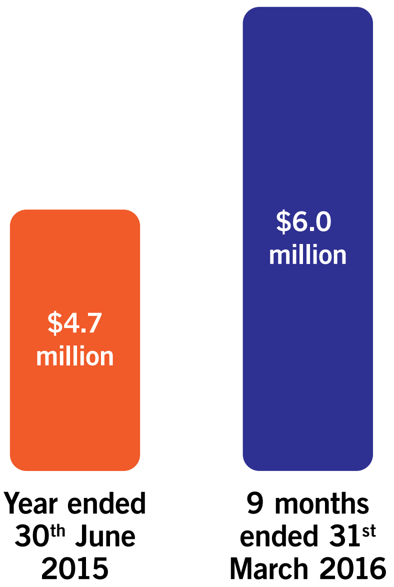
Thank you.

Yours Sincerely

Jefrey Ong
Chief Executive Officer

FINANCIAL RESULTS I INCREASE IN SALES

INCREASE IN SALES I REVENUE

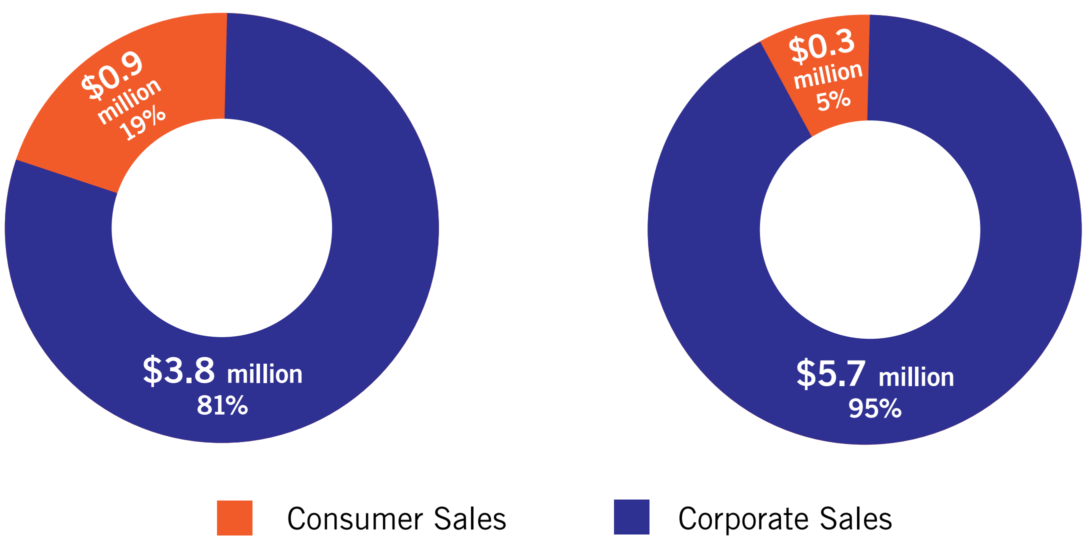


- Sales for the 9-month period ended 31st March 2016 increased by 27%, compared to the full year comparative results ended 30th June 2015.
- The increase in sales was primarily due to the increase in sales to travel agencies.

INCREASE IN SALES I SALES BREAKDOWN

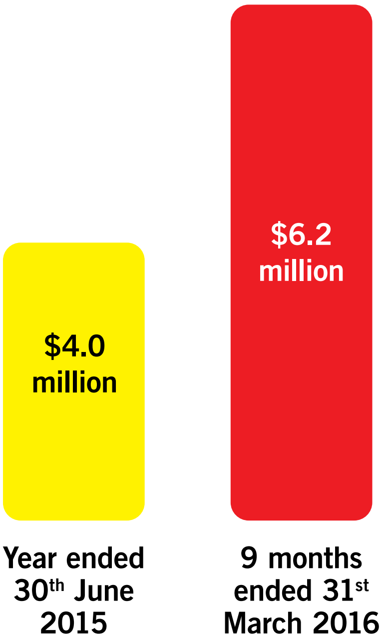
SALES BREAKDOWN
YEAR ENDED 30TH JUNE 2015

SALES BREAKDOWN
9 MONTHS ENDED 31ST MARCH 2016



FINANCIAL RESULTS | INCREASE IN COST OF SALES

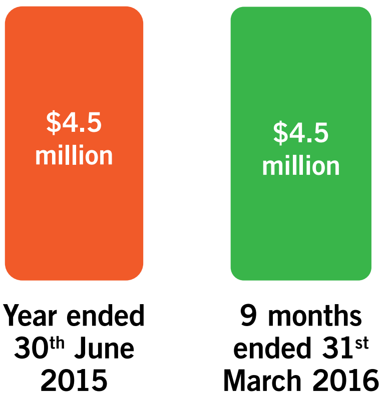
COST OF SALES



The 52% increase in cost of sales was attributed to the aggressive expenditure on customer acquisition costs, resulting in an accumulated subscriber base of 815,228 as at 31 March 2016.

FINANCIAL RESULTS | MINOR INCREASE IN NET LOSS

NET LOSS

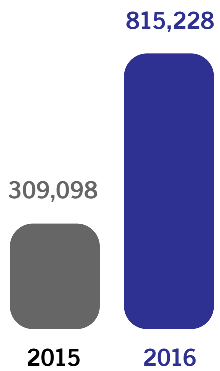


- Loss for the period ended 31 March 2016 was caused by increased spending on personnel expenses and a high expenditure on marketing and promotion
- Depreciation, amortisation and write-off of development expenditure and intangible assets further widened the current period loss.

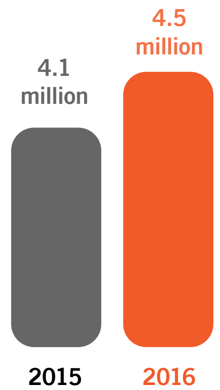
PERFORMANCE SUMMARY

KEY PERFORMANCE INDICATORS

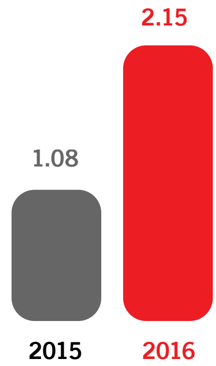
Subscribers



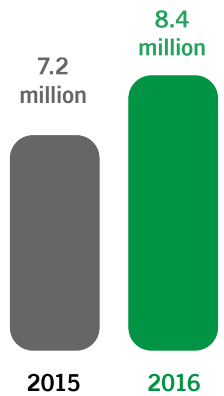
Voice Calls Traffic (minutes)



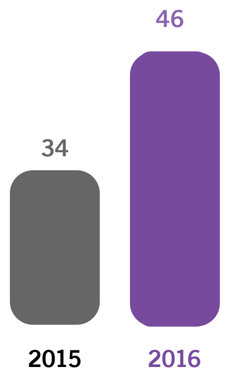
Data Traffic (Terabytes)



User Savings



People



(**Sources** Flexiroam Sdn Bhd FTS & Payroll2U System)

- **Flexiroam subscribers grew 164% to 815,228**
  Subscriber base growth hastened following the launch of FLEXIROAM Voice APP.

- **Voice traffic grew 9.8% to 4.5 million call minutes (4.1 million minutes in FY2015) while internet data traffic doubled to 2.15 Terabytes (FY2015: 1.08 Terabyte)**
  Data throughput is expected to outpace that of voice and FLEXIROAM X has been deployed to capture the data market share.

- **Estimated savings realised by Flexiroam users grew by 17%**
  Flexiroam continued to bend the cost benefit curve in consumers' favour.

- **Skilled workforce increased by 35% to 46**
  Talent sourced from around the world to keep the mind pool fertile with new ideas.

MILESTONES

Flexiroam Brand Becomes a Regional Household Name in Less Than 5 years

March 2011	**Official Launch in Malaysia**
June 2015	**Listing on ASX**
November 2015	**Mobile APP Launch**
December 2015	**Flexiroam Service opens to users worldwide**
March 2016	**Achieved 800,000 subscribers**
April 2016	**Patent on Flexiroam X Filed**
June 2016	**Flexiroam X Launch**

AWARDS RECEIVED IN FY2016

Awarded by the Singapore Book of Records Award

4 November 2015

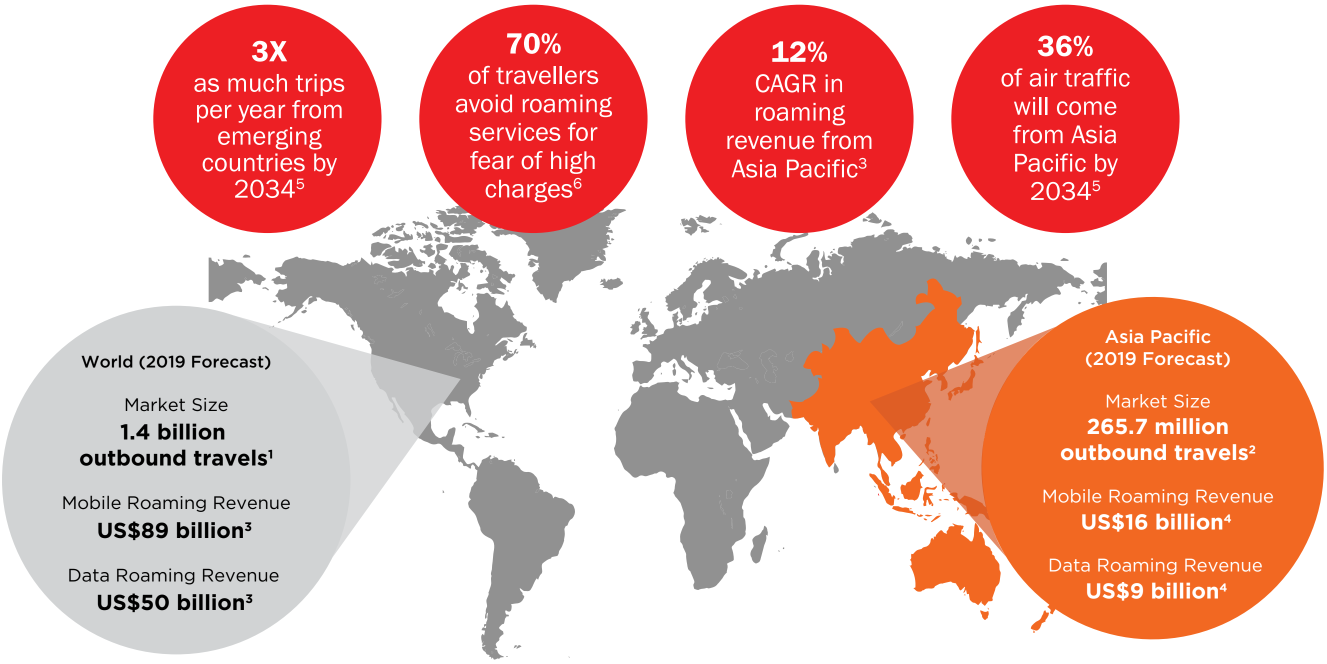
Flexiroam was awarded Singapore's first global flat rate unlimited voice and data roaming provider.

Voted World's Leading Travel Communications Provider

16 December 2015

Winning this award from World Travel Awards (WTA) affirms Flexiroam's position as the most ideal communication service for travellers.

INDUSTRY OUTLOOK



Sources:

1. Derived internally by Flexiroam from World Tourism Organization: *http://media.unwto.org/press-release/2015-01-27/over-11-billion-tourists-travelled-abroad-2014*
2. Derived internally by Flexiroam from MasterCard: *http://www.masterintelligence.com/content/intelligence/en/research/reports/2014/the-future-of-outbound-travel-in-asia-pacific.html#ft1*
3. Ovum: *http://www.ovum.com/press_releases/ovum-says-mobile-data-will-account-for-more-than-half-of-global-roaming-revenues-by-2019/*
4. Derived internally by Flexiroam from: *http://www.satellitetoday.com/telecom/2010/09/24/mobile-roaming-to-generate-67-billion-in-revenues-by-2015/*
5. Airbus:*http://www.airbus.com/company/market/forecast/?eID=maglisting_push&tx_maglisting_pi1%5BdocID%5D=89372*
6. Syniverse: *http://synergy.syniverse.com/2015/08/keeping-a-focus-on-reaching-silent-roamers*

- The fastest growing data market is found in the Asia Pacific region.
- Flexiroam, with its operations concentrated in South East Asia is in a unique and strategic position to capture Asia Pacific region data market share.

Flexiroam Ultimate Weapon to Capture Data Roaming Market

FLEXIROAM X APP

Asia Pacific
Data Roaming
Market

US$ 9 billion
by 2019

The FLEXIROAM X is a thin, microchip embedded film that, once applied to a user's existing SIM card, provides affordable data roaming in 100 countries.

FLEXIROAM VOICE APP

Asia Pacific
Voice Roaming
Market

US$ 7 billion
by 2019

The FLEXIROM Voice App is an intuitive smartphone application that offers a range of services, including affordable international voice calls and international number rental.

DIRECTORS' REPORT

The directors of Flexiroam Limited (**'the Company'**) and its controlled entities submit herewith the annual financial statements of the company (**'the Group'**) for the period ended 31 March 2016.

Directors
The names and particulars of the directors of the Company during or since the end of the period 31 March 2016 are:

NAME	PARTICULARS
Jefrey Ong (Appointed 18 March 2015)	**Executive Director and CEO** Jefrey has over 15 years of experience in the telecommunication industry and has co-founded three different technology-based companies. He is currently a Director of Flexiroam Sdn. Bhd., and Reapfield Technology Sdn. Bhd. Jefrey has not held directorships in any other Australian listed companies during the past three financial years.
Adam Sierakowski (Appointed 18 March 2015)	**Non-Executive Chairman** Adam is a lawyer and founding director of the legal firm Price Sierakowski. He has over 15 years' experience in legal practice, much of which he has spent as a corporate lawyer consulting and advising on a range of transactions to a variety of large private and listed public entities. As the co-founder of Trident Capital Pty Ltd, Adam has advised a variety of public and private clients on structuring of their transactions and has been engaged in co-ordinating fundraising both domestically and internationally. Other directorships in Australian listed companies during the past three financial years are as follows: • Corizon Resources Limited – Director – appointed on 2 October 2010 • Kinetiko Energy Limited – Director – appointed on 8 December 2010 • iWebGate Limited – Director – appointed on 23 July 2012, resigned 12 February 2016 • Resapp Health Limited – Director – appointed on 20 December 2013, resigned 22 March 2016
Stephen Hewitt-Dutton (Appointed 21 May 2010)	**Non-Executive Director** Stephen has over 20 years of experience in corporate finance, accounting and company secretarial matters. He is an Associate Director of Trident Capital and holds a Bachelor of Business from Curtin University and is an affiliate of the Institute of Chartered Accountants. Previously Stephen was an Associate Director of Carmichael Corporate where he assisted clients by providing equity market, IPO and M&A advice and assistance. He has also held Financial Controller and Company Secretary positions for both public and private companies for in excess of 15 years. Other directorships in Australian listed companies during the past three financial years are as follows: • Rision Limited – Director – appointed on 13 March 2012, resigned on 2 February 2016. • Mach7 Technologies Limited – Director – appointed on 6 October 2010, resigned on 8 April 2016.

NAME	PARTICULARS
Dato' Larry Gan Nyap Liou (Appointed 18 November 2015)	**Non-Executive Director** Dato' Larry Gan Nyap Liou is a Certified Management Consultant and a Chartered Accountant. He is a strategic investor in eCommerce and digital enterprises, and operates an extensive business network of entrepreneurs, incubators, consulting professionals and investment funds. Dato' Larry Gan Nyap Liou was a worldwide partner in Accenture, the leading global business and technology consulting firm, for 16 years and held many global leadership positions. Over a career span of 26 years, he consulted on strategic projects for government organisations and multinational corporations, and invested and worked with innovative technologies around the world. Other directorships in Australian listed companies during the past three financial years are as follows: • Fatfish Internet Group Limited – Non-executive Director – appointed on 1 September 2014. • 8common Limited - Non-executive Director – appointed on 31 March 2014.
Dr Joe Wong (Appointed 18 November 2015, as alternate director to Dato' Larry Gan Nyap Liou)	**Alternate Director** Dr Joe Wong holds a Computer Science B.Sc. Degree and a Doctorate in Pharmacy and Healthcare Administration from the University of Louisiana, USA. He has co-authored published research papers in the areas of healthcare and equity investment. Dr Joe Wong has experience as a board member of London listed, Singapore listed, Malaysia listed companies. He is currently on the board of Future NRG Sdn. Bhd. and other private companies. Dr Joe Wong has not held directorships in any other Australian listed companies during the past three financial years.
Iik Kho (Gerard Kho) (Appointed 18 March 2015, resigned on 14 October 2015)	**Non-Executive Director** Gerard was the CEO and Vice President of Reapfield Group and is now currently the CEO of Property Guru Group. He holds a double degree in Law and Medical Science from University of Sydney, as well as a Masters of Commerce in Accounting from University of Sydney. In addition to this, he holds a Doctorate in Strategic Leadership from Regent University, United States. Gerard has not held directorships in any other Australian listed companies during the past three financial years.
Paul Khong (Appointed 22 April 2016)	**Non-Executive Director** Paul has over twenty years of experience in the corporate financial and education sectors. He headed a boutique investment company in San Francisco and later relocated to New York to take up the position as the Vice President of Marketing of IFS (New York) Inc. Paul currently lectures at a training institute in Perth, Western Australia delivering Leadership and Management courses. He is also a Director of Getright Digital Australia which offers digital, website & app solutions for small and start-up businesses. Paul has not held directorships in any other Australian listed companies during the past three financial years.

The above named directors held office during and since the end of the period 31 March 2016, unless otherwise stated.

DIRECTORS' REPORT

Company Secretary
Kim Hogg was appointed as Company Secretary on 15 June 2016. Kim Hogg graduated from University of Western Australia in 1984 and has more than 20 years of experience in company secretarial as well as corporate compliance matters. Kim is currently company secretary of several ASX-listed companies.

Deborah Ho was appointed as Company Secretary on 18 March 2015 and resigned on 15 June 2016. Deborah holds a Bachelor of Commerce from Curtin University and is an associate of Governance Institute of Australia Ltd. Deborah has experience in company secretarial matters, corporate compliance and financial accounting areas including the preparation of financial statements.

Principal Activities
The Group is involved in telecommunications. There have been no significant changes in the nature of the activities during the period.

Operating Results
In March 2015, Flexiroam Limited completed the acquisition of Flexiroam Sdn. Bhd. For accounting purposes, Flexiroam Sdn. Bhd. has been identified as the accounting acquirer of the Group. The accompanying consolidated financial statements represent a continuation of Flexiroam Sdn. Bhd.'s financial statements. The results for the 9-month period ended 31 March 2016 represent the performance of Flexiroam Sdn. Bhd. and the performance of Flexiroam Limited. The comparative period results reflect full year of Flexiroam Sdn. Bhd. plus Flexiroam Limited from the date of acquisition from 18 March 2015 to 30 June 2015.

The loss after tax of the Group for the 9-months period ended 31 March 2016 was $4,531,124. This is attributable to the following:

Increase in sales

- Sales for the 9-month period ended 31 March 2016 increased by 27%, compared to the comparative results for the full year ended 30 June 2015;
- the increase in sales were primarily due to the increase in sales to travel agencies (corporate sales); and
- corporate sales were 95% of total sales (2015 : 81%)

Increase in cost of sales

- Total cost of sales in 2016 was 52% higher than in 2015; and
- the increase in the costs of sales was attributed to aggressive customer acquisition activities, resulting in an accumulated subscriber base of 815,228 as at 31 March 2016.

Loss for the period

- The loss remained high for the current period ended 31 March 2016 due to increased spending on personnel expenses, as well as high expenditure on marketing and promotion activities; and
- depreciation and amortisation as well as write-off of development expenditure and intangible assets further increased the current period loss.

DIRECTORS' REPORT

Review of Operations

Flexiroam Limited

In August 2015, Flexiroam Limited received full repayment of the convertible note including interest charged on the convertible notes, totaling $57,603.

On 14 October 2015, Gerald Kho resigned as a director of Flexiroam Limited.

On 18 November 2015, Dato' Larry Gan Nyap Liou was appointed as a director of Flexiroam Limited, while Dr Joe Wong was appointed as an alternate director to Dato' Larry Gan Nyap Liou.

On 29 January 2016, Flexiroam Limited issued 2,792,000 fully paid ordinary shares to employees of Flexiroam Sdn. Bhd.

On 30 March 2016 at a General Meeting of the Company, Shareholders approved the following resolutions:

- Issues of shares to Kenn Tat Ong (and/or his nominees); and
- Ratification of issue of shares.

Flexiroam Sdn. Bhd.

Flexiroam Sdn. Bhd. ("Flexiroam Malaysia") is a leading prepaid international mobile roaming service provider focused on allowing consumers to stay connected to their home country using their existing number while travelling overseas. Through its innovative wholly-owned technologies, Flexiroam Malaysia offers international outbound travellers unlimited flat-rate voice and data roaming services in over 217 countries and territories. As at 31 March 2016, Flexiroam had 815,228 subscribers and over 100 travel industry partners including major airlines such as AirAsia X.

In July 2015, Flexiroam Malaysia announced a joint-marketing collaboration with global payment platform PayPal Ltd, to provide its customers with a simple, secure and convenient purchasing method in addition to giving a 30% discount to customers who purchase via PayPal.

In July 2015, Flexiroam Malaysia entered into a strategic partnership agreement with Voxbone, a global cloud telecommunications provider. Voxbone provides Flexiroam Malaysia with wider coverage and cost reduction for voice and SMS access.

In August 2015, Flexiroam Malaysia entered into a network partnership with Knowlarity to build a strong presence in India that has an estimated $167 million roaming market. Knowlarity has an extensive network infrastructure throughout India.

In November 2015, Flexiroam Malaysia launched its new free smart roaming application FLEXIROAM Voice APP for Android and iOS. The Flexiroam App empowers travellers to stay connected whilst abroad or at home without incurring excessive roaming fees or international call charges.

The app allows users to communicate with one another for free over an internet connection using its in-built voice, video and messaging features. In addition, users will be able to purchase dedicated local numbers from up to 55 different countries giving them an instant global presence for as low as US$1 per month. The app also allows off-net calls, enabling calls from app to landlines and international numbers for as little as US$0.01 a minute.

Significant Changes in the State of Affairs

Reverse Acquisition

Flexiroam Limited entered into a heads of agreement dated 9 December 2014 to purchase all of the issued capital of Flexiroam Sdn. Bhd. ("Flexiroam Malaysia") (being the holding company Super Bonus Profit Sdn. Bhd. and its 100% interest in Flexiroam Sdn. Bhd. collectively) in exchange for 90,000,000 ordinary shares. It was additionally agreed that loans held by related parties and the ultimate parent entity totalling approximately MYR 4,336,000, would be exchanged for an additional 15,000,000 ordinary shares in Flexiroam Limited. As a result the shareholder of Flexiroam Malaysia held at the date of acquisition 77% of the issue share capital of the Company, prior to the issue of shares under the prospectus.

Significant Changes in the State of Affairs - Continued

From a legal and taxation perspective, Flexiroam Limited is considered the acquiring entity. However the acquisition of Flexiroam Malaysia by Flexiroam Limited has the features of a reverse acquisition as described in Australian Accounting Standard AASB3 "Business Combinations" notwithstanding Flexiroam Limited being the legal parent of the Group. This transaction is outside the scope of AASB 3 as the accounting acquiree does not constitute a business as defined by this standard. In this instance, the principal of reverse acquisition accounting is applied to determine the accounting acquirer but the transaction is accounted for as a share-based payment by the accounting acquirer for the net identifiable assets of the accounting acquiree in accordance with AASB2 "Share-based Payment".

For accounting purposes, Flexiroam Sdn. Bhd. has been identified as the accounting acquirer of the Group. The accompanying consolidated financial statements represent a continuation of Flexiroam Sdn. Bhd.'s financial statements. The results for the 9-month period ended 31 March 2016 represent the performance of Flexiroam Sdn. Bhd. and the performance of Flexiroam Limited. The comparative period results reflect the full year of Flexiroam Sdn. Bhd. plus Flexiroam Limited from the date of acquisition from 18 March 2015 to 30 June 2015.

Significant Events after Balance Date

Flexiroam Limited

On 5 April 2016, Flexiroam Limited issued 2,700,000 fully paid ordinary shares to persons nominated by Jefrey Ong.

On 22 April 2016, Paul Khong was appointed as a director.

Flexiroam Sdn. Bhd.

On 1 June 2016, Flexiroam Malaysia launched FLEXIROAM X a thin microchip-embedded film that requires a one-time application on the user's existing SIM. Upon activation travellers can easily switch over to Flexiroam's partnering networks for data access, without having to physically change their existing SIM, to gain data access globally.

Likely Developments and Expected Results

The directors and management of the Group will continue to pursue growth in its current operations and will seek further cost efficiencies so as to optimise the returns for shareholders from the existing portfolio of retail and corporate consumers. Directors and management will continue to pursue research and development of new products, and strategic partnerships for expanding into new markets which fit within the core competencies and investment criteria of the consolidated entity. The expected results for future years are of growth in revenue and user adoption whilst the consolidated entity controls costs wherever possible.

Environmental Legislation

The entity is not subject to any significant environmental legislation.

Meetings of Directors

The number of meetings of the Company's Board of Directors attended by each Director during the period ended 31 March 2016 was:

DIRECTOR	MEETINGS HELD WHILE IN OFFICE	MEETINGS ATTENDED
Adam Sierakowski	7	7
Jefrey Ong	7	7
Stephen Hewitt-Dutton	7	6
Dato Larry Gan Nyap Liou	2	-
Dr Joe Wong (alternate to Dato' Larry Nyap Liou)	2	2
Iik Kho (Gerard Kho)	3	2

The Board of Directors approved 2 circular resolutions during the period ended 31 March 2016 which were signed by all Directors of the Company.

Remuneration Report (Audited)
This report outlines the remuneration arrangements in place for Directors and other Key Management Personnel of the Group. There is no link between remuneration and the Group's performance.

Directors And Key Management Personnel Disclosed in this Report
Directors

Adam Sierakowski (Non-Executive Chairman)

Jefrey Ong (Executive Director and Chief Executive Officer)

Stephen Hewitt-Dutton (Non-Executive Director)

Dato' Larry Gan Nyap Liou (Non-Executive Director, appointed on 18 November 2015)

Dr Joe Wong (Alternate Director to Dato' Larry Gan Nyap Liou, appointed 18 November 2015)

Iik Kho (Gerard Kho) (Non-Executive Director, appointed 18 March 2015, resigned on 14 October 2015)

Remuneration Governance
Due to its size, the Company does not have a Remuneration Committee. The Board has not used remuneration consultants in determining the remuneration of Key Management Personnel. The compensation of Key Management Personnel is reviewed by the Board annually.

The Board assesses the appropriateness of the nature and amount of remuneration of such persons on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum shareholder benefit from retention of high quality Key Management Personnel. External advice on remuneration matters is sought whenever the Board deems it necessary but has not been sought during the reporting period.

The remuneration of the Key Management Personnel is not dependent on the satisfaction of a performance condition other than as set out in this report.

Non-Executive Director Remuneration
The Board seeks to set remuneration of Non-Executive Directors at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is appropriate at this stage of the Company's development.

The Directors had resolved that Non-Executive Directors' fees are $36,000 per annum for each Non-Executive Director and $48,000 per annum for the Non-Executive Chairman. Following the official listing of Flexiroam Limited in 2015, Directors' fees commenced from 16 June 2015.

In addition, Non-Executive Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred as a consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors.

The maximum annual aggregate directors' fee pool limit is $250,000 and was approved by shareholders at the annual general meeting held on 30 November 2011.

Executive Remuneration
The following table discloses the contractual arrangements with the Group's executive Key Management Personnel.

Flexiroam Limited

COMPONENT	CEO Description
Fixed remuneration	$120,000 per annum
Contract duration	3 years commencing on 16 June 2015
Notice by the individual/company	6 months
Other entitlements	Annual leave

Remuneration Report (Audited) - Continued

Summary of Amounts Paid to Key Management Personnel
The table below discloses the compensation of the Key Management Personnel of the Group during the period ended 31 March 2016.

9 MONTHS ENDED 31 MARCH 2016	SHORT-TERM EMPLOYEE BENEFITS SALARY & FEES	BONUS	POST-EMPLOYMENT SUPERANNUATION	SHARE-BASED PAYMENTS	TOTAL	PERCENTAGE OF TOTAL REMUNERATION FOR THE PERIOD LINKED TO PERFORMANCE
	$	$	$	$	$	%
Directors – Flexiroam Limited						
Jefrey Ong	94,927	-	-	405,000[1]	499,927	81%
Adam Sierakowski	36,000	-	-	-	36,000	-
Stephen Hewitt-Dutton	27,000	-	-	-	27,000	-
Dato' Larry Gan Nyap Liou	13,300	-	-	-	13,300	-
Dr Joe Wong (alternate to Dato' Larry Gan Nyap Liou)	-	-	-	-	-	-
Iik Kho (Gerard Kho)	-	-	-	-	-	-
Directors – Flexiroam Sdn. Bhd.						
Jefrey Ong	23,291	-	2,809	-	26,100	-
Thian Choy Ong	16,387	-	-	-	16,387	-
Si Pin Lim	-	-	-	-	-	-
2016 Total	**210,905**	**-**	**2,809**	**405,000**	**618,714**	**65%**

[1]On 30 March 2016, the Company's shareholders approved the issue of 2,700,000 fully paid ordinary shares to Jefrey Ong (and/or his nominees) for his contribution to the Company's achievement of a $6 million revenue milestone.

Remuneration Report (Audited) - Continued

YEAR ENDED 30 JUNE 2015	SHORT-TERM EMPLOYEE BENEFITS SALARY & FEES	BONUS	POST EMPLOYMENT SUPERANNUATION	SHARE-BASED PAYMENTS	TOTAL	PERCENTAGE OF TOTAL REMUNERATION FOR THE YEAR LINKED TO PERFORMANCE
	$	$	$	$	$	%
Directors – Flexiroam Limited						
Jefrey Ong	5,000	-	-	-	5,000	-
Adam Sierakowski	2,000	-	-	-	2,000	-
Stephen Hewitt-Dutton	1,500	-	-	-	1,500	-
Iik Kho (Gerard Kho)	1,500	-	-	-	1,500	-
Paul Price	-	-	-	-	-	-
KC Dennis Ong	-	-	-	-	-	-
Directors – Flexiroam Sdn. Bhd.						
Jefrey Ong	35,621	2,860	4,643	-	43,124	-
Thian Choy Ong	-	-	-	-	-	-
Si Pin Lim	-	-	-	-	-	-
2015 Total	**45,621**	**2,860**	**4,643**	**-**	**53,124**	**-**

No member of key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

Remuneration Report (Audited) - Continued

Key Management Personnel Equity Holdings
Fully paid ordinary shares issued by Flexiroam Limited to Key Management Personnel are as follows:

31 MARCH 2016	BALANCE AT 1 JULY 2015	ALLOTMENT/ PURCHASE OF SHARES	DISPOSAL OF SHARES	NET OTHER CHANGES	BALANCE AT 31 MARCH 2016	BALANCE HELD NOMINALLY
	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER
DIRECTORS						
Jefrey Ong	96,000,000	187,309	-	-	96,187,309	96,000,000
Adam Sierakowski	6,287,000	-	-	-	6,287,000	6,237,000
Stephen Hewitt-Dutton	200,000	-	-	-	200,000	200,000
Dato' Larry Gan Nyap Liou	-	-	-	3,429,900[1]	3,429,900	3,429,900
Dr Joe Wong (alternate to Dato' Larry Gan Nyap Liou	-	-	-	6,101,379[1]	6,101,379	1,450,000
Iik Kho (Gerard Kho)	-	-	-	-	-	-

[1] Directors were appointed during the period ended 31 March 2016.

Remuneration Report (Audited) - Continued

30 JUNE 2015	BALANCE AT 1 JULY 2014	ALLOTMENT/ PURCHASE OF SHARES	DISPOSAL OF SHARES	NET OTHER CHANGES	BALANCE AT 30 JUNE 2015	BALANCE HELD NOMINALLY
	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER
DIRECTORS						
Jefrey Ong	-	96,000,000	-	-	96,000,000	96,000,000
Adam Sierakowski	-	6,287,000	-	-	6,287,000	6,237,000
Stephen Hewitt-Dutton	200,000	-	-	-	200,000	200,000
Iik Kho (Gerard Kho)	-	-	-	-	-	-
Paul Price	25,000,001	-	(22,333,001)	(2,667,000)[1]	-	-
KC Ong	-	1,333,000	-	(1,333,000)[1]	-	-

[1] Directors resigned during the year ended 30 June 2015.

Share Options held by Key Management Personnel
During the period ended 31 March 2016 no share options were granted or exercised by key management personnel.

Options held by key management personnel during the current or comparative financial period:

DIRECTOR/CONSULTANT	GRANT DATE	EXERCISE PRICE	NUMBER	VALUE	EXPIRY DATE
Adam Sierakowski (Held by Trident Capital Pty Ltd)	8 June 2015	$0.20	1,000,000	$99,978	8 June 2018

Voting and comments made at the Company's 2015 Annual General Meeting
The Company received more than 99% of votes, of those shareholders who exercised their right to vote, in favour of the remuneration reports for the 2015 financial period. The Company did not receive any specific feedback at the AGM or throughout the period on its remuneration practices.

Loans to Key Management Personnel
There were no loans to key management personnel.

Other Transactions with Key Management Personnel
A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

A number of these entities transacted with the Company in the reporting period. The terms and conditions of the transactions with management persons and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

Remuneration Report (Audited) - Continued

Flexiroam Limited

Reimbursement:

The amount paid to Adam Sierakowski for the period ended 31 March 2016 was $nil (30 June 2015: $926).

Company Secretarial and Accounting Services:

Adam Sierakowski is a Director of Trident Management Services Pty Ltd ("Trident Management Services"), which provided the Company with accounting and company secretarial services. These services provided were based upon normal commercial terms and conditions no more favourable than those available to other parties. The amount paid to Trident Management Services for the period ended 31 March 2016 was $59,606 (including GST) (30 June 2015: $6,875 (including GST)). The amount payable to Trident Management Services as at 31 March 2016 was $4,458 (excluding GST) (30 June 2015: $6,216 (excluding GST)).

Legal Services:

Adam Sierakowski is a Director of Price Sierakowski Pty Ltd ("Price Sierakowski"), which provided the Company with legal services. These services provided were based upon normal commercial terms and conditions no more favourable than those available to other parties. The amount paid to Price Sierakowski for the period ended 31 March 2016 was $3,284 (including GST) (30 June 2015: $141,763 (including GST)). The amount payable to Price Sierakowski as at 31 March 2016 was $nil (excluding GST) (30 June 2015: $550 (excluding GST)).

Recapitalisation, Corporate Advisory and Office Rental Services:

Adam Sierakowski is a Director of Trident Capital Pty Ltd ("Trident Capital") which provided the Company with recapitalisation services, corporate advisory services and office accommodation in the prior year and office accommodation services in the current period. These services provided were based upon normal commercial terms and conditions no more favourable than those available to other parties. The amount paid to Trident Capital for the period ended 31 March 2016 was $20,900 (including GST) (30 June 2015: $141,815 (including GST)). The amount payable to Trident Capital as at 31 March 2016 was $nil (excluding GST) (30 June 2015: $nil (excluding GST)).

Director Fees Owing:

Director fees for Adam Sierakowski and Stephen Hewitt-Dutton were paid to Trident Capital. The amount payable to Trident Capital as at 31 March 2016 was $7,000 (excluding GST) (30 June 2015: $3,500 (excluding GST)). The amount payable to Jefrey Ong as at 31 March 2016 was $10,000 (no GST applicable). The amount payable to Dato' Larry Gan as at 31 March 2016 was $13,300 (no GST applicable).

Flexiroam Sdn. Bhd.

Director Salary:

The amount paid to Jefrey Ong for the period ended 31 March 2016 was $26,100 (No GST applicable) (30 June 2015: $43,124, no GST applicable). The amount payable to Jefrey Ong as at 31 March 2016 was $Nil (no GST applicable) (30 June 2015: $Nil) and the amount receivable from Jefrey Ong as at 31 March 2016 was $3,116 (no GST applicable) (30 June 2015: $Nil)

Reimbursement:

The amount paid to Jefrey Ong for the period ended 31 March 2016 was $243,444 (No GST applicable) (30 June 2015: $77,324 (no GST applicable)).

(This is the end of the Audited Remuneration Report.)

Indemnifying officers or auditors

Flexiroam Limited has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or of a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings, or paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

Insurance

The Company maintains an insurance policy insuring the directors and secretary of the Company, as well as its wholly owned subsidiary in Malaysia. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceeding that may be brought against the officers in their capacity as officers of the entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. The premium paid for the period ended 31 March 2016 was $10,481 (30 June 2015: $Nil).

Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

Interests in the Shares, Options and Convertible Notes of the Company and Related Bodies Corporate

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

DIRECTORS	FULLY PAID ORDINARY SHARES NUMBER	SHARE OPTIONS NUMBER
Jefrey Ong	96,187,309	-
Adam Sierakowski	6,287,000	1,000,000
Stephen Hewitt-Dutton	200,000	-
Dato' Larry Gan Nyap Liou	3,429,900	-
Dr Joe Wong (alternate to Dato' Larry Gan Nyap Liou)	6,101,379	-
Iik Kho (Gerard Kho)	-	-
Paul Khong	260,686	

Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

The Directors are also satisfied that the provision of non-audit services by an auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board fulfilling the role of an audit committee to ensure they do not impact the impartiality and objectivity of the auditor; and

- None of the services undermine the general principles relating to auditor's independence as set out in APES 110 Code of Ethics for Professional Accountants.

DIRECTORS' REPORT

During the period the following fees were paid or payable for services provided by the auditor of the Group, its related practices and non-related audit firms:

	2016 $	2015 $
(a) HLB Mann Judd		
i. **Audit and other assurance services**		
Audit and review of financial statements	26,000	20,000
Total remuneration for audit and other assurance services	26,000	20,000
ii. **Non-audit services**		
Investigating Accountant's Report	-	13,500
Total non-audit services	-	13,500

	2016 $	2015 $
(b) Amounts paid to non-HLB Mann Judd firms		
i. **Audit and other assurance services**		
Audit and review of financial statements	2,499	5,206
Total remuneration for audit and other assurance services	2,499	5,206
ii. **Non-audit services**		
No non-audit services provided	533	-
Total non-audit services	533	-

Likely Developments and Expected Results

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

Dividends

No dividends were paid during the period and no recommendation is made as to dividends.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included in this Annual Financial Report.

Jefrey Ong

Chief Executive Officer
Signed on this 27th day in June 2016

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Flexiroam Limited for the period ended 31 March 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
27 June 2016

M R W Ohm
Partner

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Liability limited by a scheme approved under Professional Standards Legislation

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2016

	NOTES	PERIOD ENDED 31 MARCH 2016 $	YEAR ENDED 30 JUNE 2015 $
Sales	6	6,055,037	4,757,407
Cost of sales	7	(6,173,406)	(4,049,358)
Gross (loss)/profit		(118,369)	708,049
Government grant		18,210	123,698
Interest received		128,046	14,354
Foreign exchange gains		384,200	7,899
Other income		4,915	7,923
Administration and operating expenses	8	(762,953)	(1,405,630)
Research and development		(106,449)	-
Staff costs		(726,315)	(317,482)
Depreciation and amortisation		(1,610,709)	(190,781)
Allowance for doubtful accounts		(122,292)	-
Finance expenses		(6,207)	(7,655)
Share-based payment – employees	24	(544,440)	-
Share-based payment – key management	27	(405,000)	(299,993)
Loss on acquisition	32	-	(3,137,638)
Impairment of available-for-sale asset	12	(3,400)	-
Impairment of intangible assets	18	(535,504)	-
Impairment of development expenditure	15	(121,998)	-
Loss before income tax		(4,528,265)	(4,497,256)
Income tax expense	23	(2,859)	(773)
Loss for the period		(4,531,124)	(4,498,029)
Other comprehensive (loss)/income			
Items that may be re-classified to profit or loss:			
Foreign exchange translation		(1,258,125)	785,542
Total comprehensive loss for the period		**(5,789,249)**	**(3,712,487)**
Loss per share (basic and diluted)	25	(0.02)	(0.04)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	NOTES	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
CURRENT ASSETS			
Cash and cash equivalents	9	6,709,289	8,623,528
Trade and other receivables	10	103,556	341,604
Inventory		-	5,437
Available-for-sale financial assets	12	10,200	13,600
Convertible note	13	-	57,072
Loan receivable	14	-	43,818
Total Current Assets		**6,823,045**	**9,085,059**
NON-CURRENT ASSETS			
Development expenditure	15	-	144,147
Intellectual property	16	18,494,452	20,647,648
Plant and equipment	17	304,231	52,937
Intangible assets	18	-	619,372
Total Non-Current Assets		**18,798,683**	**21,464,104**
Total Assets		**25,621,728**	**30,549,163**
CURRENT LIABILITIES			
Trade and other payables	19	101,716	262,009
Borrowings	21	13,311	-
Deferred revenue	20	754	-
Total Current Liabilities		**115,781**	**262,009**
NON-CURRENT LIABILITIES			
Borrowings	21	55,743	-
Deferred tax	22	4,361	1,502
Total Non-Current Liabilities		**60,104**	**1,502**
Total Liabilities		**175,885**	**263,511**
Net Assets		**25,445,843**	**30,285,652**
EQUITY			
Issued capital	24	35,863,139	35,318,699
Reserves	26	(956,087)	(102,962)
Accumulated losses		(9,461,209)	(4,930,085)
Total Equity		**25,445,843**	**30,285,652**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2016

	ISSUED CAPITAL $	OPTION AND PERFORMANCE RIGHTS RESERVE $	FOREX TRANSLATION RESERVE $	ACCUMULATED LOSSES $	TOTAL $
Balance at 1 July 2014	**21,029,757**	**-**	**(1,188,497)**	**(432,056)**	**19,409,204**
Total comprehensive profit/ (loss) for the period	-	-	785,542	(4,498,029)	(3,712,487)
Capital issued during the year	14,854,547	-	-	-	14,854,547
Share issue costs	(565,605)	-	-	-	(565,605)
Share-based payments	-	299,993	-	-	299,993
Balance at 30 June 2015	**35,318,699**	**299,993**	**(402,955)**	**(4,930,085)**	**30,285,652**
Balance at 1 July 2015	**35,318,699**	**299,993**	**(402,955)**	**(4,930,085)**	**30,285,652**
Total comprehensive loss for the period	-	-	(1,258,125)	(4,531,124)	(5,789,249)
Share-based payments	544,440	405,000	-	-	949,440
Balance at 31 March 2016	**35,863,139**	**704,993**	**(1,661,080)**	**(9,461,209)**	**25,445,843**

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2016

	Notes	PERIOD ENDED 31 MARCH 2016 $	YEAR ENDED 30 JUNE 2015 $
Cash flows from operating activities			
Receipts from customers		4,013,206	1,063,707
Payments to suppliers and employees		(5,740,107)	(2,093,754)
Interest paid		(6,752)	(7,655)
Interest received		135,118	7,403
Net cash flows (used in)/provided by operating activities	11	(1,598,535)	(1,030,299)
Cash flows from investing activities			
Purchase of plant and equipment		(230,147)	(32,819)
Cash acquired on acquisition of Flexiroam Limited	32	-	313,190
Proceeds from convertible note receivable		50,000	50,000
Net cash flows (used in)/provided by investing activities		(180,147)	330,371
Cash flows from financing activities			
Government grant		18,210	139,565
Proceeds from issue of share capital		-	9,259,500
Payments for share issue costs		-	(411,410)
Loan receivable – additional loan	14	(77,123)	43,818
Borrowings – proceeds		73,310	183,240
Borrowings - payments		(4,256)	-
Net cash flows provided by financing activities		10,141	9,214,713
Net (decrease)/increase in cash and cash equivalents		(1,768,541)	8,514,785
Cash and cash equivalents at the beginning of the period		**8,623,528**	**143,774**
Foreign exchange fluctuations on opening cash balances		(145,698)	(35,031)
Cash and cash equivalents at the end of the period		**6,709,289**	**8,623,528**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 REPORTING ENTITY
This annual financial report includes the financial statements and notes of Flexiroam Limited ("the Company") and its subsidiary Flexiroam Sdn. Bhd. (collectively "the Group"). The Group is a for-profit entity primarily and is domiciled in Australia. The Group is involved in the telecommunications industry.

The Company's registered address is 79 Broadway, NEDLANDS WA 6009.

NOTE 2 ADOPTION OF NEW AND REVISED AUSTRALIAN ACCOUNTING STANDARDS
Standards and Interpretations applicable to 31 March 2016
In the period ended 31 March 2016, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period.

As a result of this review, the directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted
The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the period ended 31 March 2016. As a result of this review the Directors have determined that the following Standards and Interpretations will have a material effect on the Company in the future reporting periods:

- AASB 15 Revenue from contracts with customers
- AASB 16 Leases

The Company have elected to not early adopt these Standards and Interpretations and have not quantified the material effect of application on future periods.

Other than the above, there are no other material impact of the new and revised standards and interpretations on the Group and therefore no change is necessary to Group accounting policies.

NOTE 3 GOING CONCERN
The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business. The entity incurred an operating loss of $4,531,124 for the period ended 31 March 2016 (30 June 2015 loss: $4,498,029) and a net cash outflow from operating activities amounting to $1,598,535 (30 June 2015 outflow: $1,030,299).

On the 10 June 2015, the Company successfully a completed a public capital raising of $9,259,500 under a Replacement Prospectus dated 15 April 2015 and the Company's successfully securities listed its securities for trading on the Australian Securities Exchange platform.

The Directors are satisfied that the going concern basis of preparation is appropriate. The Directors believe there are sufficient funds to meet the Group's working capital requirements and as at the date of this report, the Directors believe it can meet all liabilities as and when they fall due.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES
Basis of preparation
These financial statements include the financial statements of the Flexiroam Limited and its subsidiary Flexiroam Sdn. Bhd.. These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards are equivalent to International Financial Reporting Standards ("IFRS"). Compliance with Australian Accounting Standards ensures that these financial statements comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Except for the cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights of an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights are sufficient to give it power, including,

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties; rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Changes in the Group's Ownership Interest in Existing Subsidiaries

Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in subsidiaries. Any difference between the amount paid by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between:

- The aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- The previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit and loss or transferred to another category of equity as specified/permitted by the applicable AASBs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Prior Period Reverse Acquisition

Flexiroam Limited entered into a heads of agreement dated 9 December 2014 to purchase all of the issue capital of Flexiroam Sdn. Bhd. ("Flexiroam Malaysia") (being the holding company Super Bonus Profit Sdn. Bhd. and its 100% interest in Flexiroam Sdn. Bhd. collectively) in exchange for 90,000,000 ordinary shares. It was additionally agreed that loans held by related parties and the ultimate parent entity totalling approximately MYR 4,336,000, would be exchanged for an additional 15,000,000 ordinary shares in Flexiroam Limited. As a result the shareholder of Flexiroam Malaysia held at the date of acquisition 77% of the issue share capital of the Company, prior to the issue of shares under the prospectus.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

From a legal and taxation perspective, Flexiroam Limited is considered the acquiring entity. However the acquisition of Flexiroam Malaysia by Flexiroam Limited has the features of a reverse acquisition as described in Australian Accounting Standard AASB3 “Business Combinations” notwithstanding Flexiroam Limited being the legal parent of the Group. This transaction is outside the scope of AASB 3 as the accounting acquiree does not constitute a business as defined by this standard. In this instance, the principal of reverse acquisition accounting is applied to determine the accounting acquirer but the transaction is accounted for as a share-based payment by the accounting acquirer for the net identifiable assets of the accounting acquiree in accordance with AASB2 “Share-based Payment”.

For accounting purposes, Flexiroam Sdn. Bhd. has been identified as the accounting acquirer of the Group. The accompanying consolidated financial statements represent a continuation of Flexiroam Sdn. Bhd.’s financial statements. The results for the 9-month ended 31 March 2016 represent the performance of Flexiroam Sdn. Bhd. and the performance of Flexiroam Limited. The comparative period results reflect full year of Flexiroam Sdn. Bhd. plus Flexiroam Limited from the date of acquisition from 18 March 2015 to 30 June 2015.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a) Segment reporting

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

b) Foreign currency translation

The functional currency of the Company and subsidiary are measured using the currency of the primary economic environment in which the Company and subsidiary operates; being Australian dollars and Malaysian ringgit respectively. However, as the majority of the Company’s shareholder base is Australian, these financial statements are presented in Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

As at the balance date the assets and liabilities of the Group are translated into the presentation currency of Flexiroam Limited at the rate of exchange ruling at the balance date and income and expense items are translated at the average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Revenue recognition
Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Group recognise revenue when the amount of revenue can be reliably measured.

Telecommunication Revenue

1. *Consumer Revenue*
    - Consumer revenue comprises sale of Voice and Data Roaming services;
    - Consumer revenues are recognised at the time of customer usage and when services are rendered;
    - The credits of Voice and Data Roaming services sold to customers can be deferred up to the point of customer churn or upon expiry, after which such amounts are recognised as revenue; and
    - Unutilised credits of Voice and Data Roaming services which have been deferred as described above are recognised as deferred income.

2. *Corporate Revenue*
    - Corporate revenue comprises sales of SIM cards enabling voice and data roaming services;
    - Corporate revenues are measured at the fair value of the consideration received.

When goods or services are exchanged for dissimilar goods or services, the exchange is regarded as a transaction which generates revenue. The revenue is measured as the fair value of the goods or services received, adjusted by the amounts of any cash or cash equivalents transferred.

When the fair value of the goods or services received cannot be measured reliably, the revenue is measured as the fair value of the goods or services given up, adjusted by the amount of any cash and cash equivalents transferred.

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

d) Cash and cash equivalents
Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

e) Trade and other receivables
Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 30 days to 90 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Company will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Company in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Company.

The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the consolidated statement of profit or loss and other comprehensive income.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are then classified and measured as set out below.

Classification and subsequent measurement

All financial instruments of the Company are subsequently measured at amortised cost, using the effective interest rate method.

Amortised cost

Amortised cost is calculated as a) the amount at which the financial asset or liability is measured at initial recognition; b) less principal repayments; c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and d) less any reduction for impairment.

Effective interest rate method

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Derecognition

Financial instruments are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

With the exception of available-for-sale equity instruments, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortisation cost would have been had the impairment not been recognised. In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

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

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

Plant and equipment - 5 years;

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

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

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

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

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

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

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

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

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

i) Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

j) Intangible assets

Intangible assets acquired separately

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

Internally generated intangible assets – customer database acquisition expenditure

Expenditure on the acquisition of customer database is recognised as an intangible asset if it can be demonstrated how the intangible asset will generate probable future economic benefits. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets this recognition criteria.

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

The internally generated intangible assets expenditure are amortised over a 5-year period.

Intangible assets acquired in a business combination

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

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

Intangible assets acquired in a business combination are amortised over a 10-year period.

k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
ii. for receivables and payables, which are recognised inclusive of GST. The net amount of GST recoverable from the taxation authority is included as part of receivables.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

l) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable to or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures except where the Company is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authorities and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the consolidated statement of profit or loss and other comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

m) Development expenditure

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

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Development expenditure is recognised as an intangible asset (or from the development phase of an internal project) if and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

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

The intangible assets arising from development expenditure are amortised over a 5-year period.

n) Government grants
Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

o) 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.

p) Share-based payment transactions
Equity settled transactions
The Group provides benefits to employees of Flexiroam Sdn. Bhd. in the form of share-based payments, whereby employees render services in exchange for shares (equity-settled transactions).

There is currently one plan in place to provide these benefits which is the Performance Rights Plan.

The cost of these equity-settled transactions with employees of Flexiroam Sdn. Bhd. is measured by reference to the market price of the shares traded on ASX at the date at which they are issued.

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

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

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects:
i. the extent to which the vesting period has expired; and
ii. the Group's best estimate of the number of equity instruments that will ultimately vest.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The consolidated statement of profit or loss and other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

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

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

q) Parent entity financial information
The financial information for the parent entity, Flexiroam Limited, disclosed in Note 29 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries
Investments in subsidiaries are accounted for at cost in the parent entity's financial statements

Share-based payments
The grant by the Company of shares over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking.

r) Employee benefits
Short term benefits
Wages, salaries, bonuses and social security contributions are recognised as an expense in year which the associated services are rendered by employees of the Company.

Defined contribution plans
As required by law, companies in Malaysia make contributions to the Employees Provident Fund (EPF). Such contributions are recognised as an expense in the Income Statement as incurred.

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

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

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

t) Critical accounting judgements and key sources of estimation uncertainty
The Directors make a number of estimates and assumptions in preparing general purpose financial statements. The resulting accounting estimates, will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods if relevant.

NOTE 4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following key judgements were made in preparing these financial statements:

Impairment of intangible assets:
The Group has intangible assets with finite life of $18,494,452 as at 31 March 2016. The Directors have considered the existence of any indicators of impairment and as a result have conducted an impairment test in relation to the balance. Further details including the assumptions used are disclosed in Note 16.

Valuation of share-based-payment:
In January 2016, the Group achieved the first $6 million revenue milestone. As such, the Board elected to issue 2,700,000 fully paid ordinary shares to Jefrey Ong (and/or his nominees) pursuant to Flexiroam Limited's Performance Rights Plan. On 30 March 2016, the Company obtained Shareholder approval to issue these shares to Jefrey Ong (and/or his nominees) which were subsequently issued on 5 April 2016.

The Directors have considered AASB 2 and have deemed the 2,700,000 shares to be a share-based-payment. The Directors have determined that the fair value of the 2,700,000 shares to be at the market price on 30 March 2016, being the date that shareholder approval was obtained for the issuance.

NOTE 5 FINANCIAL RISK MANAGEMENT

a) Categories of financial instruments

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Financial assets		
Cash and cash equivalents	6,709,289	8,623,528
Trade and other receivables	103,556	341,604
Available-for-sale financial assets	10,200	13,600
Convertible note	-	57,072
Loan receivable	-	43,818
Financial liabilities		
Trade and other payables	101,716	262,009
Borrowings	69,054	-

b) Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2015.

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings. Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

c) Financial risk management objective and policies
The Company's overall financial risk management objective is to ensure that the Company creates value for its shareholders while minimising potential adverse effects on the performance of the Company. The Company's financial risk management policies were established to ensure the adequacy of financial resources for business development and in managing its credit, interest, liquidity, and cash flow risks.

NOTE 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

d) Market risk

Foreign currency risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The functional currency of the Company and subsidiary are measured using the currency of the primary economic environment in which the Company and subsidiary operates; being Australian dollars and Malaysian ringgit respectively. However, as the majority of the Company's shareholder base is Australian, these financial statements are presented in Australian dollars.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the balance date expressed in Australian dollars are as follows:

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Financial assets		
Cash and cash equivalents	6,399,748	447,463
Trade and other receivables	94,431	292,875
Loan receivable	-	43,818
Financial liabilities		
Trade and other payables	30,953	59,484
Borrowings	69,054	-

Foreign currency sensitivity analysis

The Group is exposed to Malaysian Ringgit (RM) currency fluctuations.

The following table details the Group's sensitivity to a 0.5% increase and decrease in the Australian dollar against the Malaysian Ringgit (RM). 0.5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rate. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.5% change in foreign currency rates.

A positive number indicates an increase in profit or loss and other equity where the Australian Dollar strengthens against the respective currency. For a weakening of the Australian Dollar against the respective currency there would be an equal and opposite impact on the profit and other equity and the balances below would be negative.

NOTE 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

AS AT 31 MAR 2016	$	RM DOWN 0.5% AUD UP 0.5% $	(LOSS) $	RM UP 0.5% AUDDOWN 0.5% $	GAIN $
Financial assets					
Cash and cash equivalents	6,399,748	6,367,749	(31,999)	6,431,747	31,999
Trade and other receivables	94,431	93,959	(472)	94,903	472
Financial liabilities					
Trade and other payables	30,953	30,798	(155)	31,108	155
Borrowings	69,054	68,709	(345)	69,399	345

AS AT 30 JUNE 2015	$	RM DOWN 0.5% AUD UP 0.5% $	(LOSS) $	RM UP 0.5% AUD DOWN 0.5% $	GAIN $
Financial assets					
Cash and cash equivalents	447,463	445,226	(2,237)	449,700	2,237
Trade and other receivables	292,875	291,411	(1,464)	294,340	1,464
Inventory	5,437	5,410	(27)	5,464	27
Loan receivable	43,818	43,599	(219)	44,037	219
Financial liabilities					
Trade and other payables	59,484	59,186	(298)	59,782	298

Credit risk

Credit risk is the risk of default by clients and counterparties. Cash deposits and trade receivables may give rise to credit risk which requires the loss to be recognised if a counterparty fails to perform as contracted. It is the Company's policy to monitor the financial standing of these counterparties on an on-going basis to ensure that the Group's exposure to credit risk is minimal. The Group has no material credit risk exposure as at 31 March 2016.

Credit risk related to balances with banks and other financial institutions is managed by the Board in accordance with approved board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	NOTES	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Cash and cash equivalents			
AA rated	9	6,709,289	8,623,528
		6,709,289	**8,623,528**

Interest rate risk

The financial instruments which primarily expose the Company to interest rate risk are cash and cash equivalents. The Company's exposure to interest rate risk and the effective interest rate for classes of financial assets and financial liabilities is set out below:

NOTE 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

	NOTES	EFFECTIVE INTEREST RATE	FLOATING INTEREST RATE $	1 YEAR OR LESS $	1 TO 5 YEARS $	NON-INTEREST BEARING $	TOTAL $
31 Mar 2016							
Financial assets							
Cash assets	9	0.6%-3.20%	-	5,366,957	-	1,342,332	**6,709,289**
Trade and other receivables	10	-	-	-	-	103,556	**103,556**
Available-for-sale	12	-	-	-	-	10,200	**10,200**
Total financial assets			**-**	**5,366,957**	**-**	**1,456,088**	**6,823,045**
Financial liabilities							
Trade and other payables	19	-	-	-	-	101,716	**101,716**
Borrowings	21	3.6%	-	13,311	55,743	-	**69,054**
Total financial liabilities			**-**	**13,311**	**55,743**	**101,716**	**170,770**
30 June 2015							
Financial assets							
Cash assets	9	1.5%	8,176,065	-	-	447,463	**8,623,528**
Trade and other receivables	10	-	-	-	-	341,604	**341,604**
Convertible note	13	12.5%	-	57,072	-	-	**57,072**
Available-for-sale	12	-	-	-	-	13,600	**13,600**
Loan receivable	14	-	-	-	-	43,818	**43,818**
Total financial assets			**8,176,065**	**57,072**	**-**	**846,485**	**9,079,622**
Financial liabilities							
Trade and other payables	19	-	-	-	-	262,009	**262,009**
Borrowings	21	-	-	-	-	-	**-**
Total financial liabilities			**-**	**-**	**-**	**262,009**	**262,009**

The sensitivity analyses have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's net revenue would increase by $26,835 and decrease by $26,835 respectively (30 June 2015: $43,118).

Liquidity and cash flow risk
Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

NOTE 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

e) Fair values

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analyses.

The Directors consider that the carrying amounts of financial assets and financial liabilities which are all recorded at amortised cost less accumulated impairment charges in these financial statements approximate their fair values.

NOTE 6 REVENUE

	PERIOD ENDED 31 MARCH 2016 $	YEAR ENDED 30 JUNE 2015 $
Corporate[1]	5,727,669	3,838,911
Consumer[2]	327,368	918,496
	6,055,037	**4,757,407**

[1] Corporate sales consist of business to business transactions involving local and foreign travel agencies.
[2] Consumer sales consist of business to consumer transactions involving local and foreign travellers.

NOTE 7 COST OF SALES

	PERIOD ENDED 31 MARCH 2016 $	YEAR ENDED 30 JUNE 2015 $
Network costs	330,866	265,206
Marketing	5,727,669	3,521,957
Material costs	68,443	112,430
Commissions due	31,002	120,674
Research expenditure	15,426	29,091
	6,173,406	**4,049,358**

NOTE 8 ADMINISTRATION AND OPERATING EXPENSES

	PERIOD ENDED 31 MARCH 2016 $	YEAR ENDED 30 JUNE 2015 $
Advertising and promotion	229,332	133,310
Office equipment and general maintenance	8,542	6,902
Others costs	43,836	25,099
Professional fees	169,000	882,437
Rental	178,663	145,562
Software and stationery	40,745	25,758
Talent and recruitment	12,038	128,938
Travelling and transportation	66,425	35,688
Utilities	14,372	21,936
	762,953	**1,405,630**

NOTE 9 CASH AND CASH EQUIVALENTS

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Cash at bank	6,709,289	8,623,528
	6,709,289	**8,623,528**

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

NOTE 10 TRADE AND OTHER RECEIVABLES

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Trade receivables	51,510	178,103
GST claims receivable	20,171	135,541
Other receivables	31,875	27,960
	103,556	**341,604**

NOTE 11 CASH FLOW INFORMATION

Reconciliation of loss for the period to net cash flows from operating activities

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Loss for the period	(4,531,124)	(4,498,029)
Tax	2,859	-
Depreciation and amortisation	1,610,709	190,781
Forex gain	(384,200)	-
Loss on acquisition (Note 32)	-	3,137,638
Share-based payment – employees	544,440	-
Share-based payment – key management	405,000	299,993
Government grant	(18,210)	(139,565)
Interest earned on convertible notes	7,072	-
Impairment of available-for-sale financial asset	3,400	
Impairment of intangible assets	535,504	-
Impairment of development expenditure	121,998	-
(Increase)/Decrease in current receivables	258,118	(26,538)
(Increase)/Decrease in inventory	5,437	(5,437)
Increase/(Decrease) in current liabilities	(160,292)	10,062
Increase in deferred revenue	754	796
Net cash from operating activities	**(1,598,535)**	**(1,030,299)**

NOTE 12 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Opening balance	13,600	51,000
Impairment	(3,400)	(37,400)
Closing balance	**10,200**	**13,600**

NOTE 13 CONVERTIBLE NOTE

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Opening balance	57,072	50,000
Interest receivable	(7,072)	7,072
Interest received	7,603	
Repayment of convertible note	(57,603)	-
Closing balance	**-**	**57,072**

In August 2015, Flexiroam Limited received full repayment of the convertible note including interest.

NOTE 14 LOAN RECEIVABLE

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Opening balance	43,818	-
Additional loan	77,123	43,818
Repayment of loan	(119,550)	
Foreign exchange translation effects	(1,391)	-
Closing balance	**-**	**43,818**

During the period ended 31 March 2016, Flexiroam Sdn. Bhd. entered into an agreement with Reapfield Technology Sdn. Bhd. to acquire an asset which consists of Roaming Beamer and an Unlimited User License. The Roaming Beamer is a wireless router device which acts as a WiFi hotspot that can be connected to a cellular network and provide internet access to other devices. The loan receivable from Reapfield Technology Sdn. Bhd. was used to offset against the acquisition costs of Roaming Beamer.

NOTE 15 DEVELOPMENT EXPENDITURE

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Carrying value opening balance	144,147	166,265
Amortisation	(15,426)	(29,091)
Impairment loss	(121,998)	-
Foreign exchange translation effects	(6,723)	6,973
Carrying value closing balance	**-**	**144,147**

Certain expenditure or research activities has been capitalised where it meets the requisite criteria under accounting standards. As a result of management's impairment assessment during the period, the capitalised expenditure was fully impaired.

NOTE 16 INTELLECTUAL PROPERTY

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Carrying value opening balance	20,647,648	19,844,551
Amortisation	(1,452,432)	-
Foreign exchange translation effects	(700,764)	803,097
Carrying value closing balance	**18,494,452**	**20,647,648**

The intellectual property asset is known as Flexiroam Malaysia, an international roaming service for Malaysians who travel overseas to make and receive unlimited calls at a fixed rate by linking their home mobile number to their overseas number. It operates on a sophisticated integrated network of services, forming a unified system known as the 'Flexiroam Tracking System' (FTS).

Intellectual property is an intangible asset with finite life of 10 years and is stated at cost. As at 31 March 2016, Flexiroam Malaysia holds 1 patent in Malaysia and 1 patent in India.

Due to reported operating losses which constitute an indicator of impairment, the management has undertaken an impairment test on intellectual property. The recoverable amount, which is based upon five-year cashflow forecasts at a discount rate of 15% per annum, is in excess of the carrying value of the cash-generating unit to which the assets is allocated, being the business as a whole. No allowance for impairment loss on assets is therefore required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17 PROPERTY, PLANT AND EQUIPMENT

As at 31 March 2016, the Group's property, plant and equipment consists of the following:

	FURNITURE & FITTINGS $	OFFICE EQUIPMENT $	COMPUTER $	RENOVATION $	MOTOR VEHICLE[1] $	BEAMER[2] $	TOTAL $
AT COST							
As at 1 July 2015	1,308	18,881	6,127	42,326	-	-	68,642
Additions	9,194	10,068	6,746	119,982	99,258	44,392	289,640
Foreign exchange effects	(333)	(917)	(408)	(5,138)	(3,142)	(1,405)	(11,343)
As at 31 March 2016	**10,169**	**28,032**	**12,465**	**157,170**	**96,116**	**42,987**	**346,939**
ACCUMULATED DEPRECIATION							
As at 1 July 2015	358	5,751	710	8,886	-	-	15,705
Depreciation expense	1,033	3,364	1,015	13,584	7,922	354	27,272
Foreign exchange effects	6	(224)	(11)	(131)	87	4	(269)
As at 31 March 2016	**1,397**	**8,891**	**1,714**	**22,339**	**8,009**	**358**	**42,708**
CARRYING AMOUNT							
As at 30 June 2015	**950**	**13,130**	**5,417**	**33,440**	**-**	**-**	**52,937**
As at 31 March 2016	**8,772**	**19,141**	**10,751**	**134,831**	**88,107**	**42,629**	**304,231**

[1]Motor vehicle is used as security for the borrowings.

[2] Beamer is a wireless router device which acts as a WiFi hotspot that can be connected to a cellular network and provide internet access to other devices

NOTE 18 INTANGIBLE ASSETS

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Carrying value opening balance	619,372	461,570
Additions	76,567	-
Amortisation	(131,005)	(176,651)
Impairment loss	(535,504)	-
Foreign exchange translation effects	(29,430)	334,453
Carrying value closing balance	**-**	**619,372**

Expenditure on the acquisition of customer database and the Beamer unlimited user license are capitalised as intangible assets and amortised over a 5-year and 10-year period respectively. Due to reported operating losses which constitute an indicator of impairment, management has taken the position to write-off the intangible assets during the financial period.

NOTE 19 TRADE AND OTHER PAYABLES

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Trade payables	8,839	213,469
Accrual of expenses	92,877	48,540
	101,716	**206,009**

Trade payables are non-interest bearing and are normally settled within 30 to 90 days..

NOTE 20 DEFERRED REVENUE

Advance billing to customer give rise to provisions for unearned revenue in respect of services which have not been rendered as at the end of the reporting period.

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Deferred revenue	754	-
	754	**-**

NOTE 21 BORROWINGS

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Minimum hire purchase payments:		
Within 12 months	16,723	-
After 1 year to 5 years	61,317	-
	78,040	-
Less: Future interest charges	(8,986)	-
Present value of hire purchase	**69,054**	**-**
Repayable as follows:		
Current liabilities - within 1 year	13,311	-
Long term liabilities - after 1 year to 5 years	55,743	-
	69,054	**-**

Borrowings are secured by motor vehicles with a carrying value of $88,107 (30 June 2015: $Nil).

NOTE 22 DEFERRED TAX

Deferred tax liabilities

	AS AT 31 MAR 2016 $	AS AT 30 JUNE 2015 $
Opening balance	1,502	706
Foreign exchange	-	23
Transferred from income statement	2,859	773
Closing balance	**4,361**	**1,502**

The Group has tax losses arising in Australia of $645,380 (30 June 2015: $260,097) that are available indefinitely for offset against future taxable profits.

NOTE 23 INCOME TAX

	PERIOD ENDED 31 MARCH 2016 $	YEAR ENDED 30 JUNE 2015 $
Current year tax		
Income tax	-	-
Deferred tax (Note 22)		
Current year deferred tax	2,859	773
Numerical reconciliation between tax expense and pre-tax net profit		
(Loss)/profit before tax	(4,528,265)	(4,497,256)
Income tax using the domestic corporation tax rate of 30%	(1,358,480)	(1,343,177)
Tax rate adjustment for Malaysian tax rate*	324,399	15,626
Increase/(decrease) in income tax expense due to:		
Non-deductible expenses:		
- Other	1,036,940	261,311
- Accounting loss on acquisition	-	941,291
Add/(deduct) adjustments due to:		
- Revenue losses not recognised	-	176,386
- Unrecognised taxable temprorary differences	-	(157,785)
- Unrecognised deductible temporary differences	-	113,121
Income tax expense	**2,859**	**773**

*The applicable tax rate for the current financial year is 20%, as enacted by the Government of Malaysia.

NOTE 24 ISSUED CAPITAL

	NUMBER	$
Ordinary shares issued (net of share issue costs)	**190,989,501**	**35,863,138**
Reconciliation		
Balance at 1 July 2014	60,000,000	21,029,757
Adjustment on acquisition of Flexiroam Limited	32,200,001	647,000
Elimination of the historical value of Flexiroam Limited issued capital	-	(647,000)
Elimination of Flexiroam Malaysia issued capital	(60,000,000)	-
Share issue – 18 March 2015[1]	105,000,000	4,855,047
Share issue – 19 March 2015[2]	2,000,000	200,000
Share issue – 10 June 2015[3]	46,297,500	9,259,500
Share issue – 10 June 2015[4]	2,700,000	540,000
Capital raising costs	-	(565,605)
Balance at 30 June 2015	**188,197,501**	**35,318,699**
Balance at 1 July 2015	188,197,501	35,318,699
Share issue – 29 January 2016[5]	2,792,000	544,440
Balance at 31 March 2016	**190,989,501**	**35,863,139**

[1] On 18 March 2015, 15,000,000 shares were issued at $0.01 per share in repayment of loans to Flexiroam Sdn. Bhd. by Reapfield Technology Sdn. Bhd. On 18 March 2015, 90,000,000 shares were issued at $0.01 per share acquisition consideration.

[2] On 19 March 2015, 2,000,000 shares were issued at $0.01 per share under Sophisticated Placement Raising.

[3] On 10 June 2015, 46,297,500 shares were issued at $0.20 per share under a Replacement Prospectus.

[4] On 10 June 2015, 2,700,000 shares were issued at $0.20 per share under a Replacement Prospectus.

[5] On 29 January 2016, in accordance with the Company's Performance Rights Plan, 2,792,000 fully paid ordinary shares were issued to employees of Flexiroam Sdn. Bhd. following the achievement of a revenue milestone.

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Dividends
No dividends were paid or proposed during the period ended 31 March 2016 (2015: nil).

NOTE 25 LOSS PER SHARE

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic loss per share computations:

	PERIOD ENDED 31 MARCH 2016 $	YEAR ENDED 30 JUNE 2015 $
Loss attributable to ordinary equity holders	(4,531,124)	(4,498,029)
	NUMBER	**NUMBER**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	188,829,267	106,506,164
	$/SHARE	**$/SHARE**
Loss per share (basic and diluted)	(0.02)	(0.04)

The calculation does not include shares under option that could potentially dilute basic earnings per share in the future as the options are not in the money.

NOTE 26 RESERVES

Foreign Currency Translation Reserve
The foreign currency exchange reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

Option Reserve
This reserve is used to record the value of equity benefits for options issued for purposes other than as part of employees and directors' remuneration.

Performance Rights Reserve
This reserve is used to record the value of equity benefits of performance rights provided to employees and directors as part of their remuneration.

NOTE 27 SHARE-BASED-PAYMENTS

Options

In June 2015, 3,000,000 options were issued by Flexiroam Limited to advisors in connection with the Company's initial public offering as contemplated by its Replacement Prospectus dated 15 April 2015. The options issued were valued at $299,993. The fair value of the options was determined using the Black-Scholes options valuation methodology and applying the following inputs:

	OPTIONS
Exercise Price	$0.20
Expiry Date	10 December 2018
Risk Free Rate	2.03%
Volatility	75%
Value per Option	$0.099
Total Value of Options	$299,993
Amount Expensed in Previous Year	$299,993
Amount Expensed in Current Year	-
Amount to be Expensed in Future Years	-

Performance Rights

The Company's Replacement Prospectus dated 15 April 2015 notes that Flexiroam Limited has the opportunity to issue up to 5% of the total issued capital to high calibre employees to reward eligible persons for their performance and participation in the Company's future growth, in accordance with the Company's Performance Rights Plan. To date, no Performance Rights have been issued.

In January 2016, the Group achieved the first $6 million revenue milestone. On 29 January 2016, the Company agreed to issue fully paid ordinary shares in accordance with the Company's Performance Rights Plan. Subsequently, 2,792,000 fully paid ordinary shares were issued to employees of Flexiroam Sdn Bhd on 29 January 2016. In addition to this, a further 2,700,000 fully paid ordinary shares were issued on 5 April 2016, following Shareholder approval obtained on 30 March 2016. In accordance with AASB 2, the Company has accounted for the shares issued on 5 April 2016 as a share-based payment during the period ended 31 March 2016 with the grant date being 30 March 2016.

NOTE 28 RELATED PARTY TRANSACTIONS

a) Key management personnel

Compensation of Key Management Personnel

	PERIOD ENDED 31 MARCH 2016 $	YEAR ENDED 30 JUNE 2015 $
Short-term employee benefits	210,905	45,621
Bonus	-	2,860
Post-employment superannuation	2,809	4,643
Share-based payments	405,000	-
	618,714	**53,124**

b) Subsidiaries

The consolidated financial statements include the financial statements of Flexiroam Limited:

NAME	COUNTRY OF INCORPORATION	% EQUITY INTEREST 2016	2015
Super Bonus Profit Sdn. Bhd.	Malaysia	100%	100%
Flexiroam Sdn. Bhd.	Malaysia	100%	100%

Flexiroam Limited which was incorporated in Australia, is the legal parent of the Group.

NOTE 28 RELATED PARTY TRANSACTIONS (CONTINUED)

c) Transactions with Related Parties

Flexiroam Limited

Reimbursement:

The amount paid to Adam Sierakowski for the period ended 31 March 2016 was $nil (30 June 2015: $926).

Company Secretarial and Accounting Services:

Adam Sierakowski is a Director of Trident Management Services Pty Ltd (“Trident Management Services”), which provided the Company with accounting and company secretarial services. These services provided were based upon normal commercial terms and conditions no more favourable than those available to other parties. The amount paid to Trident Management Services for the period ended 31 March 2016 was $59,606 (including GST) (30 June 2015: $6,875 (including GST)). The amount payable to Trident Management Services as at 31 March 2016 was $4,458 (excluding GST) (30 June 2015: $6,216 (excluding GST)).

Legal Services:

Adam Sierakowski is a Director of Price Sierakowski Pty Ltd (“Price Sierakowski”), which provided the Company with legal services. These services provided were based upon normal commercial terms and conditions no more favourable than those available to other parties. The amount paid to Price Sierakowski for the period ended 31 March 2016 was $3,284 (including GST) (30 June 2015: $141,763 (including GST)). The amount payable to Price Sierakowski as at 31 March 2016 was $nil (excluding GST) (30 June 2015: $550 (excluding GST)).

Recapitalisation, Corporate Advisory and Office Rental Services:

Adam Sierakowski is a Director of Trident Capital Pty Ltd (“Trident Capital”) which provided the Company with recapitalisation services, corporate advisory services and office accommodation in the prior year and office accommodation services in the current period. These services provided were based upon normal commercial terms and conditions no more favourable than those available to other parties. The amount paid to Trident Capital for the period ended 31 March 2016 was $20,900 (including GST) (30 June 2015: $141,815 (including GST)). The amount payable to Trident Capital as at 31 March 2016 was $nil (excluding GST) (30 June 2015: $nil (excluding GST)).

Director Fees Owing:

Director fees for Adam Sierakowski and Stephen Hewitt-Dutton were paid to Trident Capital. The amount payable to Trident Capital as at 31 March 2016 was $7,000 (excluding GST) (30 June 2015: $3,500 (excluding GST)). The amount payable to Jefrey Ong as at 31 March 2016 was $10,000 (no GST applicable). The amount payable to Dato’ Larry Gan as at 31 March 2016 was $13,300 (no GST applicable).

Flexiroam Sdn. Bhd.

Director Salary:

The amount paid to Jefrey Ong for the period ended 31 March 2016 was $26,100 (No GST applicable) (30 June 2015: $43,124, no GST applicable). The amount payable to Jefrey Ong as at 31 March 2016 was $Nil (no GST applicable) (30 June 2015: $Nil) and the amount receivable to Jefrey Ong as at 31 March 2016 was $3,116 (no GST applicable) (30 June 2015: $Nil)

Reimbursement:

The amount paid to Jefrey Ong for the period ended 31 March 2016 was $243,444 (No GST applicable) (30 June 2015: $77,324 (no GST applicable)).

NOTE 29 LEGAL PARENT ENTITY INFORMATION

The following detailed information is related to the parent entity, Flexiroam Limited, as at 31 March 2016.

	AS AT 30 MAR 2016 $	AS AT 30 JUNE 2015 $
Current assets	328,867	8,295,466
Non-current assets	14,510,047	7,010,047
Total assets	**14,838,914**	**15,305,513**
Current liabilities	70,763	202,525
Non-current liabilities	-	-
Total liabilities	**70,763**	**202,525**
Contributed equity	16,980,382	16,435,942
Accumulated losses	(2,917,224)	(1,632,947)
Reserves	704,993	299,993
Total equity	**14,768,151**	**15,102,988**
Loss for the year	(1,284,277)	(1,203,356)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	**(1,284,277)**	**(1,203,356)**

NOTE 30 SIGNIFICANT EVENTS AFTER BALANCE DATE

Except for the events listed below, there were no matters or circumstances arising since the end of the reporting period that have significantly affected, or may significantly affect the operations of the Company or the state of affairs of the Company in the financial period subsequent to 31 March 2016.

Flexiroam Limited
On 5 April 2016, Flexiroam Limited issued 2,700,000 fully paid ordinary shares to persons nominated by Jefrey Ong.

On 22 April 2016, Paul Khong was appointed as a director.

Flexiroam Sdn. Bhd.
On 1 June 2016, Flexiroam Malaysia launched FLEXIROAM X a thin microchip-embedded film that requires a one-time application on the user's existing SIM. Upon activation travellers can easily switch over to Flexiroam's partnering networks for data access without having the need to physically change their existing SIM to gain data access globally.

NOTE 31 COMMITMENTS AND CONTINGENCIES

At the date of this report, there does not exist:

(a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Company which has arisen since the end of the financial year.

No contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

NOTE 32 LOSS ON ACQUISITION

On 18 March 2015, Flexiroam Limited issued 90,000,000 fully paid ordinary shares to Reapfield Technology Sdn. Bhd. as consideration for the acquisition of 100% of all the rights and title to Flexiroam Sdn. Bhd. As a result, the shareholders of Flexiroam Sdn. Bhd. held at the date of acquisition 77% of the issue share capital of the Flexiroam Limited, prior to the issue of shares under the prospectus.

The reverse acquisition is treated as an acquisition of assets and liabilities of the Flexiroam Limited as at 17 March 2015.

	$
Cash and cash equivalents	313,190
Available for sale assets	23,800
Convertible note	100,000
Prepayments	10,595
Other receivables	1,514,766
Trade creditors	(44,950)
Shares awaiting to be issued	(199,992)
Value of the asset acquisition as at 17 March 2015	**1,717,409**

Loss on acquisition of Flexiroam Limited:

	$
Acquisition consideration	4,855,047[1]
Less net assets acquired	(1,717,409)
Loss on acquisition as at 17 March 2015	**3,137,638**

[1]As a result of the acquisition, the consideration fair value is based on the portion (23%) of Flexiroam Malaysia's net assets as at acquisition date.

NOTE 33 SEGMENT REPORTING

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about the components of the group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Company's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the chief operating decision maker.

As at 31 March 2016, the Group operated in one business segment being the Flexiroam business which supplies telecommunication services. During the current period, the chief decision makers have been reviewing operations and making decisions based on the supply and provision of telecommunications as a single operating unit. Internal management accounts are consequently prepared on this basis.

Based on the quantitative thresholds included in AASB 8, there is only one reportable segment, being the telecommunications business and one geographical segment, namely the telecommunications industry in Malaysia.

The revenues and results of this segment are those of the Group as a whole and are set out in the consolidated statement of profit or loss and other comprehensive income. The segment assets and liabilities of this segment are those of the Group and are set out in the consolidated statement of financial position.

DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statements of Changes in Equity, accompanying notes, are in accordance with the Corporations Act 2001 and:

    (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

    (b) give a true and fair view of the financial position as at 31 March 2016 and of the performance for the period ended on that date of the Group.

2. In the Directors' opinion, there are reasonable grounds to believe Flexiroam Limited and its controlled entities will be able to pay its debts as and when they become due and payable.

3. Note 2 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

4. The Directors have been given the declarations as required by Section 295A of the Corporations Act for the period ended 31 March 2016.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

On behalf of the Board

Jefrey Ong

Director
Signed on this 27th day in June 2016

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of Flexiroam Limited

Report on the Financial Report

We have audited the accompanying financial report of Flexiroam Limited ("the company"), which comprises the consolidated statement of financial position as at 31 March 2016, 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 period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the Group. The Group comprises the company and the entities it controlled at the period's end or from time to time during the financial period.

Directors' responsibility for the financial report

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

In Note 4, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

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

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

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

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

Independence

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

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
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HLB Mann Judd

Accountants | Business and Financial Advisers

Auditor's opinion

In our opinion:

(a) the financial report of Flexiroam Limited 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 March 2016 and of its performance for the period ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 4.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the period ended 31 March 2016. The Directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Flexiroam Limited for the period ended 31 March 2016 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

M R W Ohm
Partner

Perth, Western Australia
27 June 2016

ASX INFORMATION AS AT 7 JUNE 2016

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

Substantial shareholders

NAME	NUMBER OF ORDINARY SHARES HELD	PERCENTAGE OF CAPITAL HELD
REAPFIELD TECHNOLOGY SDN. BHD.	96,000,000	49.56

Distribution of security holders

CATEGORY	NUMBER OF HOLDERS
1 – 1,000	7
1,001 – 5,000	48
5,001 – 10,000	84
10,001 – 100,000	201
100,001 and over	84
	424

Unmarketable Parcels

The number of shareholders holding less than a marketable parcel is 35. There is only one class of share and all ordinary shareholders have equal voting rights.

Securities Subject to Escrow

The following securities are currently subject to escrow:

SECURITIES	ESCROW PERIOD	RELEASE DATE	NUMBER
Fully paid ordinary shares	24 months from quotation	16 June 2017	125,475,000
Unlisted options, exercisable at $0.20 on or before 8 June 2018	24 months from quotation	16 June 2017	3,000,000
Fully paid ordinary shares	24 months from date of issue	29 January 2018	2,276,400

Unquoted Securities

SECURITIES	NUMBER OF OPTIONS	NUMBER OF HOLDERS	HOLDER WITH MORE THAN 20%
Unlisted options, exercisable at $0.20 on or before 8 June 2018	3,000,000	2	2

HOLDER	NUMBER HELD
TRIDENT CAPITAL PTY LTD	1,000,000
ZERO NOMINEES LIMITED	2,000,000

ASX INFORMATION AS AT 7 JUNE 2016

Twenty Largest Shareholders – Ordinary Shares

	NAME	NUMBERS OF ORDINARY SHARES HELD	PERCENTAGE OF CAPITAL HELD
1	REAPFIELD TECHNOLOGY SDN BHD	96,000,000	49.56
2	PRIME ADVISORY GLOBAL LIMITED	9,500,000	4.91
3	CITICORP NOMINEES PTY LIMITED	7,257,460	3.75
4	TA SECURITIES HOLDINGS BERHAD	5,800,000	2.99
5	KAI FATT WONG	4,500,000	2.32
6	SI PIN LIM	4,500,000	2.32
7	RZ CAPITAL SDN BHD	4,500,000	2.32
8	MR WAI PIN NG	3,728,220	1.93
9	NATIONAL NOMINEES LIMITED	3,429,990	1.77
10	TRIDENT CAPITAL PTY LTD	3,387,000	1.75
11	CHEE CHEOON OW	3,308,595	1.71
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,086,197	1.59
13	RZ CAPITAL PTE LTD	3,000,000	1.55
14	HAN YIE TEH	3,000,000	1.55
15	PUI MUN CHONG	2,682,267	1.39
16	RHB SECURITIES SINGAPORE PTE LTD <CLIENTS A/C>	1,890,300	0.98
17	KOK CHOONG ONG	1,743,000	0.90
18	BNB PARIBAS NOMS PTY LTD <UOB KAY HIAN PRIV LTD DRP>	1,720,000	0.89
19	YEAP KUP SANG	1,100,000	0.57
20	TAN EE LENG	1,030,000	0.53
	TOTAL	**165,163,029**	**85.26**

Voting Rights
In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote.

On-market buyback
There is no current on-market buy-back

Stock Exchange listing
Quotation has been granted for the Company's Ordinary Shares.

ASX Listing Rule 4.10.19 Confirmation
The Directors of Flexiroam Limited confirm in accordance with ASX Listing Rule 4.10.19 that during the period from commencement of 1 July 2015 to 31 March 2016, the Company has used its cash, and assets that are readily convertible to cash, in a way consistent with its business objectives.

The Board is responsible for establishing the Company's corporate governance framework, they key features of which are set out below. In establishing its corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

In accordance with ASX Listing Rule 1.1 Condition 13, the corporate governance statement set out below discloses the extent to which the Company intends to follow the recommendations as at the date of reinstatement of the Company's securities to quotation on ASX. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

The following governance-related documents can be found on the Flexiroam Website at http://investor.flexiroam.com, under the section marked "Corporate Governance":

(a) Board Charter;
(b) Board Performance Evaluation Policy;
(c) Code of Conduct;
(d) Audit Committee Charter;
(e) Remuneration and Nomination Committee Charter;
(f) Security Trading Policy;
(g) Continuous Disclosure Policy;
(h) Shareholder Communication and Investor Relations Policy;
(i) Risk Committee Charter;
(j) Risk Management Policy; and
(k) Diversity Policy.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1
The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management, and have documented this in its Board Charter.

The responsibilities of the Board include but are not limited to:

(a) Setting and reviewing strategic direction and planning;
(b) Reviewing financial and operational performance;
(c) Identifying principal risks and reviewing risk management strategies; and
(d) Considering and reviewing significant capital investments and material transactions.

In exercising its responsibilities, the Board recognises that there are many stakeholders in the operations of the Company, including employees, shareholders, co-ventures, the government and the community.

The Board has delegated responsibility for the business operations of the Company to the Chief Executive Officer. The Chief Executive Officer is accountable to the Board.

Recommendation 1.2
The Company undertakes appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect a director.

The checks which are undertaken, and the information provided to shareholders, are set out in the Company's Remuneration and Nomination Committee Charter.

Recommendation 1.3
The Company has a written agreement with each of the Directors and senior executives setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Chief Executive Officer, any of its directors, and any other person or entity who is a related party of the Chief Executive Officer or any of its directors will be disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).

Recommendation 1.4
The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for the application of best practice in corporate governance and also supports the effectiveness of the Board by:

(a) ensuring a good flow of information between the Board, its committees, and Directors;

(b) monitoring policies and procedures of the Board;

(c) advising the Board through the Chairman of corporate governance policies; and

(d) conducting and reporting matters of the Board, including the despatch of Board agendas, briefing papers and minutes.

Recommendation 1.5
The Company has a Diversity Policy, the purpose of which is:

(a) to outline the Company's commitment to creating a corporate culture that embraces diversity and, in particular, focuses on the composition of its Board and senior management; and

(b) to provide a process for the Board to determine measurable objectives and procedures which the Company will implement and report against to achieve its diversity goals.

The Company does not select candidates based on gender or ethnicity, rather the recruitment process chooses candidates from a diverse group after widely canvassing the market and by selecting the most appropriate candidate based on merit and suitability for the role.

As at 31 March 2016, there are two women in senior executive position in the Company, and 13 women employees across the Company, representing 31% of the whole organisation. There are no women in the Board at this time. The Board maintains full transparency of board processes, reviews, and appointments and encourages gender diversity.

Recommendation 1.6
The Chief Executive Officer will be responsible for evaluating the performance of the Company's senior executives in accordance with the process disclosed in the Company's Process for Performance Evaluations, which is currently being developed by the Board.

The Chairman will be responsible for evaluating the performance of the Company's Chief Executive Officer in accordance with the process disclosed in the Company's Process for Performance Evaluations, which is currently being developed by the Board. No evaluation has been conducted during the reporting period.

The Company will report on whether an evaluation of its Chief Executive Officer and senior executives has taken place in the relevant reporting period in each of its corporate governance statements.

Recommendation 1.7
The Chairman will be responsible for evaluating the performance of the Board, Board committees and individual directors in accordance with the process disclosed in the Company's Board performance evaluation policy.

This policy is to ensure:

(a) individual Directors and the Board as a whole work efficiently and effectively in achieving their functions;

(b) the executive Directors and key executives execute the Company's strategy through the efficient and effective implementation of the business objectives; and

(c) committees to which the Board has delegated responsibilities are performing efficiently and effectively in accordance with the duties and responsibilities set out in the board charter.

This policy will be reviewed annually. The Company will report on whether an evaluation of the Board, its committees and individual directors has taken place in the relevant reporting period, and whether the process was in accordance with the process disclosed, in each of its corporate governance statements. No evaluation has been conducted during the reporting period.

Principle 2: Structure the board to add value

Recommendation 2.1
Due to the size of the Board, the Company does not have a separate nomination committee. The roles and responsibilities of a nomination committee are currently undertaken by the Board.

The duties of the full Board in its capacity as a nomination committee are set out in the Company's Remuneration and Nomination Committee Charter which is available on the Flexiroam Website.

When the Board meets as a remuneration and nomination committee is carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration and Nomination Committee are marked as separate agenda items at Board meetings when required.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a Nomination Committee and is disclosed on the Flexiroam Website.

Recommendation 2.2
The mix of skills and diversity which the Board is looking to achieve in its composition is:

(a) a broad range of business experience; and

(b) technical expertise and skills required to discharge duties.

Recommendation 2.3
The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles and Recommendations.Currently the Board is structured as follows:

(a) Jefrey Ong (Executive Director and Chief Executive Officer) – appointed 18 March 2015;

(b) Adam Sierakowski (Non-Executive Chairman) – appointed 18 March 2015;

(c) Stephen Hewitt-Dutton (Non-Executive Director) – appointed 21 May 2010;

(e) Dato' Larry Gan Nyap Liou (Non-Executive Director) – appointed 18 November 2015; and

(f) Dr Joe Wong (alternate Director to Dato' Larry Gan Nyap Liou) – appointed 18 November 2015;

(g) Paul Khong (Non-Executive Director) – appointed 22 April 2016.

Jefrey Ong is an executive director, and accordingly, is not considered independent.

Adam Sierakowski is a Director and Shareholder of Trident Capital Pty Ltd which is a provider of material professional services, and accordingly, is not considered independent.

Stephen Hewitt-Dutton is a senior employee of Trident Management Services Pty Ltd, which is a provider of material professional services, and accordingly, is not considered independent.

Dato' Larry Gan Nyap Liou is considered independent.

Dr Joe Wong is considered independent.

Paul Khong is considered independent.

Recommendation 2.4
Currently, the Board considers that membership weighted towards relevant expertise is appropriate at this stage of the Company's operations. The majority of the Board is not independent.

Recommendation 2.5
Adam Sierakowski is the Chairman. He is not an independent Chairman. Mr Sierakowski is considered the most appropriate person to Chair the Board because of his public company experience.

Recommendation 2.6
It is a policy of the Company, that new Directors undergo an induction process in which they are given a full briefing on the Company.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

Principle 3: Act ethically and responsibly

Recommendation 3.1
The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (Code), which addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. It may be amended from time to time by the Board, and is disclosed on the Flexiroam Website.

The Code applies to all Directors, employees, contractors and officers of the Company. The Code will be formally reviewed by the Board each year.

Principle 4: Safeguard integrity in corporate reporting

Recommendation 4.1
Due to the size of the Board, the Company does not have a separate audit committee. The roles and responsibilities of an audit committee are undertaken by the Board.

The full Board in its capacity as the audit committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors. The Board has adopted an Audit Committee Charter which describes the role, composition, functions and responsibilities of the audit committee and is disclosed on the Flexiroam Website.

When the Board meets as an audit committee it carries out those functions which are delegated to it in the Company's Audit Committee Charter. Items that are usually required to be discussed by an audit committee are marked as separate agenda items at Board meetings when required.

The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Board.

Recommendation 4.2
Before the Board approves the Company financial statements for each financial period it will receive from the Chief Executive Officer and the Chief Financial Officer or equivalent a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated 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.

Recommendation 4.3
Under section 250RA of the Corporations Act, the Company's auditor is required to attend the Company's annual general meeting at which the audit report is considered, and must arrange to be represented by a person who is a suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit. Each year, the Company will write to the Company's auditor to inform them of the date of the Company's annual general meeting. In accordance with section 250S of the Corporations Act, at the Company's annual general meeting where the Company's auditor or their representative is at the meeting, the Chairman will allow a reasonable opportunity for the members as a whole at the meeting to ask the auditor (or its representative) questions relevant to the conduct of the audit; the preparation and content of the auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the auditor in relation to the conduct of the audit.

The Chairman will also allow a reasonable opportunity for the auditor (or their representative) to answer written questions submitted to the auditor under section 250PA of the Corporations Act.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1
The Company is committed to:

(a) ensuring that shareholders and the market are provided with full and timely information about its activities;

(b) complying with the continuous disclosure obligations contained in the Listing Rules and the applicable sections of the Corporations Act; and

(c) providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

The Company has adopted a Disclosure Policy, which is disclosed on the Flexiroam Website.

The Disclosure Policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the ASX Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.

The Chief Executive Officer manages the policy. The policy will develop over time as best practice and regulations change and the Company Secretary will be responsible for communicating any amendments. This policy will be reviewed by the Board annually.

Principle 6: Respect the rights of security holders

Recommendation 6.1
The Company provides information about itself and its governance to investors via the Flexiroam Website. The Company is committed to maintaining the Flexiroam Website with general information about the Company and its operations and information specifically targeted at keeping the Company's shareholders informed about the Company. In particular, where appropriate, after confirmation of receipt by ASX, the following will be posted to the Flexiroam Website:

(a) relevant announcements made to the market via ASX;

(b) media releases;

(c) investment updates;

(d) Company presentations and media briefings;

(e) copies of press releases and announcements for the preceding three years; and

(f) copies of annual and half yearly reports including financial statements for the preceding three years.

Recommendation 6.2
The Company has a Shareholder Communication and Investor Relations Policy which aims to ensure that Shareholders are informed of all major developments of the Company. The policy is disclosed on the Flexiroam Website.

Information is communicated to Shareholders via:

(a) reports to Shareholders;

(b) ASX announcements;

(c) annual general meetings; and

(d) the Flexiroam Website.

This Shareholder Communication and Investor Relations policy will be formally reviewed by the Board each year. While the Company aims to provide sufficient information to Shareholders about the Company and its activities, it understands that Shareholders may have specific questions and require additional information. To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, the Company has made available a telephone number and relevant contact details (via the Flexiroam Website) for Shareholders to make their enquiries.

Recommendation 6.3
The Board encourages full participation of Shareholders at meetings to ensure a high level of accountability and identification with the Company's strategies and goals.

However, due to the size and nature of the Company, the Board does not consider a policy outlining the policies and processes that it has in place to facilitate and encourage participating at meetings of shareholders to be appropriate at this stage.

Recommendation 6.4
Shareholders are given the option to receive communications from, and send communication to, the Company and its Share Registry electronically. To ensure that shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available a telephone number and relevant contact details (via the Flexiroam Website) for shareholders to make their enquiries.

Principle 7: Recognise and manage risk

Recommendation 7.1
Due to the size of the Board, the Company does not have a separate Risk Committee. The Board is responsible for the oversight of the Company's risk management and control framework.

When the Board meets as a risk committee it carries out those functions which are delegated to it in the Company's Risk Committee Charter. Items that are usually required to be discussed by a Risk Committee are marked as separate agenda items at Board meetings when required.

The Board has adopted a Risk Committee Charter which describes the role, composition, functions and responsibilities of the Risk Committee and is disclosed on the Flexiroam Website.

The Board has adopted a Risk Management Policy, which is disclosed on the Flexiroam Website. Under the policy, responsibility and control of risk management is delegated to the appropriate level of management within the Company with the Chief Executive Officer having ultimate responsibility to the Board for the risk management and control framework.

The risk management system covers:

(a) operational risk;

(b) financial reporting;

(c) compliance / regulations; and

(d) system / IT process risk.

A risk management model is also being developed and will provide a framework for systematically understanding and identifying the types of business risks threatening the Company as a whole, or specific business activities within the Company.

Recommendation 7.2
The Board will review the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board.

Arrangements put in place by the Board to monitor risk management include, but are not limited to:

(a) monthly reporting to the Board in respect of operations and the financial position of the Company; and

(b) quarterly rolling forecasts prepared;

Recommendation 7.3
The Company does not have, and does not intend to establish, an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's Risk Management Policy.

Recommendation 7.4
Given the speculative nature of the Company's business, it will be subject to general risks and certain specific risks.

The Company will identify those economic, environmental and/or social sustainability risks to which it has a material exposure, and disclose how it intends to manage those risks in each of its corporate governance statements.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1
Due to the size of the Board, the Company does not have a separate remuneration committee. The roles and responsibilities of a remuneration committee are currently undertaken by the Board.

The duties of the full board in its capacity as a remuneration committee are set out in the Company's Remuneration and Nomination Committee Charter which is available on the Flexiroam Website.

When the Board meets as a remuneration committee it carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration Committee are marked as separate agenda items at Board meetings when required.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of the Remuneration Committee and is disclosed on the Flexiroam Website.

Recommendation 8.2
Details of the Company's policies on remuneration will be set out in the Company's "Remuneration Report" in each Annual Report published by the Company. This disclosure will include a summary of the Company's policies regarding the deferral of performance- based remuneration and the reduction, cancellation or clawback of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements.

Recommendation 8.3
The Company has an equity-based remuneration scheme.

The Company's Security Trading Policy includes a statement on the Company's policy on prohibiting participants in the Company's Performance Rights Plan entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Performance Rights Plan.

Security Trading Policy

In accordance with ASX Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:

(a) closed periods in which directors, employees and contractors of the Company must not deal in the Company's securities;

(b) trading in the Company's securities which is not subject to the Company's trading policy; and

(c) the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Security Trading Policy is available on the Flexiroam Website.