R3D GLOBAL LIMITED

(Formerly Redchip International Limited)

ABN 53 111 398 040

Annual Report

For the year ended

30 June 2017

R3D GLOBAL LIMITED – ANNUAL REPORT
(Formerly Redchip International Limited)

FOR THE YEAR ENDED 30 JUNE 2017

CORPORATE INFORMATION

This annual report covers R3D Global Limited (ABN 53 111 398 040) as an individual entity.

A description of the Company's operations and of its principal activities is included in the review of operations and activities in the directors' report.

Directors
Daniel Yeo Chin Tuan – Appointed 28 March 2017 (Chairman)
Florence Fang – Appointed 31 August 2017 (Managing Director)
Yuen Loke Chin – Appointed 22 March 2013
Kasudjono Harianto – Appointed 22 March 2013
Michael Thirnbeck – Appointed 23 December 2013
Tiffany Tsao – Appointed 28 March 2017

Company Secretary
Henry Kinstlinger – Appointed 20 October 2016

Registered Office and Principal Place of Business
Level 36
Governor Phillip Tower
1 Farrer Place
SYDNEY NSW 2000

Share Registry
Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Legal Advisors
DLA Piper Australia
Level 21
140 William Street
Melbourne VIC 3000

Auditor
Andrew Newhouse
HLB Mann Judd
65 Kembla Street
WOLLONGONG NSW 2500

FOR THE YEAR ENDED 30 JUNE 2017

TABLE OF CONTENTS

CORPORATE GOVERNANCE STATEMENT

Background

The Board of Directors is responsible for the corporate governance of R3D Global Ltd (the "Company"). The Company operates in accordance with the corporate governance principles as set out by the ASX Corporate Governance Council and required under ASX listing rules.

The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Company's Corporate Governance Statement on the governance practices adopted by the Company is structured with reference to the ASX Corporate Governance Council's Principles and Recommendations. The practices are summarised below.

The Board is committed to improving its corporate governance practices and embracing the principles put out by the ASX Corporate Governance Council, however the Board is of a view that the adoption of the practices and principles should be in line with the growth in size, changes in the nature and increase in complexity of the Company's business.

The Board aims to achieve all of the Best Practice Recommendations in stages as the Company grows and its circumstances change over time. As reported in the current year's annual report, the Company has been concentrating its efforts to restore the financial position of the Company and has worked to improve its corporate governance practices.

Principle 1: Lay solid foundations for management and oversight
The Board ensures that the Company is structured such that there are clearly defined roles, segregation of duties and responsibilities and approved levels of authority between the management and the governance of the Company. The Board sets the overall corporate governance policy for the Company including determining the strategic direction, establishing policies and goals for management and monitoring the achievement of them. The Board delegates responsibility for the day to day management of the Company to the Chief Executive Officer.

The key responsibilities of the Board include:

- Setting the long-term strategy and annual business plan including objectives and milestones to be achieved;
- Evaluating capital, cash and operating risk budgets and making appropriate recommendations on an annual basis;
- Reviewing and approving the Company's financial, strategic and operational goals and assessing key business developments as formulated by management in line with the objectives and goals set by the Board;
- Monitoring the performance of the Company against the financial objectives and operational goals set by the Board and reviewing the implementation of Board approved strategies;
- Assessing the appropriateness of the skill sets and the levels of experience of the members of the Board, individually and as a whole and selecting new members to join the Board when a vacancy exists;
- Appointing, removing and determining the terms of engagement of the Directors, Chief Executive Officer and Company Secretary;
- Overseeing the delegation of authority for the day to day management of the Company;
- Ensuring that the risk management systems, financial reporting and information systems, personnel, policies and procedures are all operating efficiently and effectively by establishing a framework of internal controls and compliance;
- Reviewing major contracts, goods or services on credit terms, acceptance of counter-party risks and issuing guarantees on behalf of the Company;
- Approving the capital structure and major funding requirements of the Company;
- Making recommendations as to the terms of engagement, independence and the appointment and removal of the external auditors;
- Setting the Code of Conduct for the Company and ensuring that appropriate standards of corporate governance and ethics are effectively communicated throughout the Company and complied with;
- Reviewing the adherence by each director to the Director's Code of Ethics;
- Establishing policies to ensure that the Company complies with the ASX Continuous Disclosure Policy;
- Approving the Company's half year and full year reports to the shareholders, ASX and ASIC; and
- Ensuring that recruitment, retention, termination, remuneration, performance review and succession planning policies and procedures are in place and complied with.

CORPORATE GOVERNANCE STATEMENT

The Board strives to achieve an appropriate mix of gender diversity among its directors pursuant to the Company's goals, activities and strategy and the relevant guidelines as recommended by the Corporate Governance council from time to time. The Board will review this issue annually.

Principle 2: Structure the Board to add value
The Board is presently structured to maximise value to the Company and the shareholders. The Board is of a size and composition that is conducive to making decisions expediently, with the benefit of a variety of perspectives, experiences and skills.

Board Composition
The Board is comprised of six directors. The skills, experience and expertise relevant to the position of Director held by each Director in office at the date of the annual report are included in the Directors' Report.

The Board is of the opinion that, with the Company currently in the initial phase of its new business, the Company should have a Board which has more hands-on and technical experience in order to establish the business and grow the Company.

The Board has determined that there are sufficient appropriate alternative governance measures in place to ensure that current non-compliance with the recommendations does not give rise to undue risk or other material concerns relating to the management and oversight of the Company.

Term of Office
The members of the Board are elected by the shareholders to ensure that the Board has the appropriate mix of expertise and experience.

In accordance with the Corporations Act 2001, if a person is appointed as Director during the year, the Company must confirm appointment by resolution at the Company's next Annual General Meeting.

When a vacancy exists on the Board, the Board appoints the most suitable candidate from a panel of candidates, who then must stand for election at the next Annual General Meeting if he or she wishes to continue as a member of the Board in the following year.

One third of directors (other than the managing director) retire and may submit themselves for re-election at each Annual General Meeting.

Personal Interests & Conflicts
Directors must not take advantage of their position as Directors and must not allow their personal interests, or the interests of any associated person, to interfere or exert undue influence on their conduct or decisions as a Director.

Directors also have a duty to avoid conflicts of interest between the best interests of the Company and their own personal or commercial interests. Conflicts of interest can be either actual or potential. If a conflict of interest arises, Directors must disclose their interests to the Board immediately. The Directors concerned must not be present at any meeting while the matter is being considered and will not be allowed to vote on the matter.

Independent Professional Advice
There are procedures in place, agreed by the Board, to enable directors to seek independent professional advice at the Company's expense as may be reasonably required in the exercise of their duties from time to time.

Board Standing Committees
The Board established a Remuneration and Nomination Committee, which has the authority and power to exercise the roles and responsibilities granted to it under a Remuneration and Nomination Committee Charter and any other resolutions of the Board from time to time. The Committee comprises 3 directors, 2 of whom are independent directors and one of whom acts as chairperson.

Principle 3: Act ethically and responsibly

Code of Conduct
The Board has adopted a code of conduct ('Code of Conduct') which sets out the values, commitments, ethical standards and policies of the Company and outlines the standards of conduct expected of the Company's business and people, taking into account the Company's legal and other obligations to its stakeholders.

The Code of Conduct applies to all Directors, as well as all officers, employees, contractors, consultants and other persons that act on behalf of the Company.

Principle 4: Safeguard integrity in corporate reporting
It is the Board's responsibility to ensure an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information, as well as non-financial considerations such as benchmarking of operational key performance indicators.

Audit and Risk Committee - Audit Responsibilities
The Board has established an Audit and Risk Committee. This Committee is responsible for, among other things, appointing the Company's external auditors and overseeing the integrity of the Company's financial reporting systems and financial statements.

The Company has also adopted an Audit and Risk Committee Charter.

The Company intends to disclose the number of times the Audit and Risk Committee met, and the attendance at those meetings, at the end of each relevant reporting period.

Executive Assurance
The Board has implemented a process to receive written assurances from its CEO and Chief Financial Officer that the declarations that will be provided under section 295A of the *Corporations Act 2001* (Cth) are founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Board will seek these assurances prior to approving the financial statements for all half-year and full year periods.

The Company has adopted a formal Disclosure and Communication Policy (see below), which includes an express requirement that the external auditor will attend the AGM and be available to answer questions about the conduct of the audit and the preparation and content of the auditor's report.

Principle 5: Make timely and balanced disclosure
Consistent with the Board's commitment to improving its disclosure policy, the Board has adopted a Disclosure and Communication Policy, which sets out the Company's commitment to the objective of promoting investor confidence and the rights of shareholders by:

- Complying with the continuous disclosure obligations imposed by law;
- Ensuring that Company announcements are presented in a factual, clear and balanced way;
- Ensuring that all shareholders have equal and timely access to material information concerning R3D Global Limited; and
- Communicating effectively with shareholders and making it easy for them to participate in general meetings.

Principle 6: Respect the rights of security holders
The Company recognises the rights of its security holders and other interested stakeholders to have easy access to balanced, understandable and timely information concerning the operations of the Company. The Chief Executive Officer and the Company Secretary are primarily responsible of ensuring that communications with security holders are delivered in accordance with this strategy and with our policy of continuous disclosure.

The Board has adopted a Disclosure and Communication Policy which supports its commitment to effective communication with its shareholders. In addition, the Company intends to communicate with its shareholders:

- By making timely market announcements;
- By posting relevant information on its website;
- By inviting shareholders to make direct enquiries to the Company; and
- Through the use of general meetings.

Annual General Meeting
The Board encourages participation of security holders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals. Security holders are requested to vote on the appointment and aggregate remuneration of Directors, the granting of options and shares to Directors, issue of shares and changes to the constitution.

The Board has also requested that Andrew Newhouse of HLB Mann Judd, the Company's external auditor, be present at the Annual General Meeting to answer questions that shareholders might have about the scope and conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

The Company's security holders may elect to receive information from the Company and its registry electronically. Otherwise, the Company and its registry will communicate by post with shareholders who have not elected to receive information electronically.

Principle 7: Recognise and Manage Risk

Risk Management Responsibilities
The Board has adopted a formal Audit and Risk Committee to, amongst other things, ensure that the Company has an effective risk management system in place and to manage key risk areas. This Committee comprises 3 independent, non-executive Directors, one of whom acts as chairperson.

Under the Board Charter, the Board will ensure that the Company has in place an appropriate risk management framework and will set the appetite within which the Board expects management to operate. Further, it is intended that the Audit and Risk Committee will, among other things, regularly review and update the risk profile and ensure that the Company has an effective risk management system. As part of this process, the Board will review, at least annually, the Company's risk management framework in order to satisfy itself that it continues to be sound. The Company intends to disclose, at the relevant time, whether a review of the Company's risk management framework was undertaken during the relevant period.

The Audit and Risk Committee is responsible for ensuring that the Company has appropriate internal audit systems and controls in place, and for overseeing the effectiveness of these internal controls. The Committee is also responsible for conducting investigations of breaches or potential breaches of these internal controls. In addition, the Audit and Risk Committee is responsible for preparing a risk profile which describes the material risks facing the Company, regularly reviewing and updating this risk profile, and assessing and ensuring that there are internal controls in place for determining and managing key risks.

Principle 8: Remunerate fairly and responsibly

Remuneration responsibilities
The Company has established a Nomination and Remuneration Committee. The Committee is responsible for developing, reviewing and making recommendations on:

- The remuneration framework for directors, including the process by which any pool of directors fees approved by security holders is allocated to directors;
- The remuneration packages to be awarded to senior executives;
- Equity based remuneration plans for senior executives and other employees; and
- Superannuation arrangements for directors, senior executives and other employees.

The Nomination and Remuneration Committee is comprised of 3 directors, 2 of which are independent directors and one of whom will act as independent chairperson. The Company intends to disclose the number of times the committee met, and the attendance at those meetings, at the end of each reporting period.

CORPORATE GOVERNANCE STATEMENT

The Company's remuneration policy is disclosed in the Director's Report. The policy has been set out to ensure that the remuneration of Directors, key executives and staff reflect each person's accountabilities and duties and their level of performance, and to ensure that remuneration is competitive in attracting, motivating and retaining staff of the highest quality. A program of regular performance appraisals and objective setting for key executives and staff is in place. These annual reviews take into account individual and Company performance, market movements and expert advice.

Share Trading Policy
The constitution permits directors, senior executives and other officers of the Company to trade in Company shares as long as they comply with the Company's Share Trading Policy. The Share Trading Policy is a code that is designed to minimise the potential for insider trading.

Directors must notify the Chairman of the Board before they buy or sell shares in the Company. If the Chairman of the Board intends to trade in the Company shares, the Chairman of the Board must give prior notice to the Chairman of the Audit and Risk Management Committee. The details of the share trading must be given to the Company Secretary who must lodge details of such changes with the ASX.

Senior executives must give prior notice to the Chief Executive Officer, while other officers must notify the Company Secretary, before trading in the Company shares, and details of all such transactions must be given, in writing, to the Company Secretary within 7 business days.

Any changes in substantial shareholding of the Directors, senior executives or other officers must be reported to the ASX within 2 business days of such trading. The policy also requires that directors, executives and other officers in the Company do not execute trades in the Company's securities in closed periods, being :

- Within one month immediately preceding and 48 hours immediately following the release by the Company of its annual results to the ASX;
- Within one month immediately preceding and 48 hours immediately following the release by the Company of its half-yearly results to the ASX;
- Within two weeks immediately preceding and 48 hours immediately following the Company's Annual General Meeting; and
- Other periods as advised by the Board or the Chief Executive Officer.

DIRECTORS' REPORT

Your directors submit their report for the year ended 30 June 2017.

DIRECTORS

The names and details of the Company's directors in office during the financial year and up to the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Daniel Yeo Chin Tuan, (Non-Executive Director, Chair of the Remuneration and Nomination Committee) appointed 28 March 2017. Appointed Chairman 31 August 2017.
Mr Yeo has over 25 years' experience in senior executive roles in a wide range of corporate and commercial roles. Previously, he served as the CEO of Man Financial (S) Pte Ltd (now known as MF Global Singapore). He also served as a Vice President of Red Co Singapore since 1980 and pioneered the Singapore futures and options market, building a distinguished track record servicing high net worth clients in foreign exchange and bullion trading. Mr Yeo has served as an Independent Director of Top Global Limited since 2010. He previously served as a Director of ING Futures & Options (S) Pte Ltd, and as an Executive Director of UOB International Treasury.

Ms Florence Fang, (Executive Director) appointed 31 August 2017.
Ms Fang has over 20 years of leadership experience and knowledge in the IR and PR industry. She has successfully built Flame Communications operations as Managing Director in Singapore for the past twelve years, servicing multi-national clients regionally, in a broad range of sectors including fintech, arts and culture, mobile apps, government and in healthcare.

Mr Yuen Loke Chin, (Non-Executive Director, member of the Remuneration and Nomination Committee) appointed 22 March 2013
Mr Chin has over 30 years' experience in banking, investments, and mining. Prior to serving as a Director of a mining company listed in the TSX (Toronto Stock Exchange) in 2000; Mr Chin worked in the banking industry for 19 years for global financial institutions including Credit Suisse, Standard Chartered Bank, BNP and CIBC, handling project finance, corporate lending, and wealth management in Canada, Hong Kong and Singapore.

Mr Chin is currently a Director of a manufacturing company listed on the Jakarta Stock Exchange. Mr Chin has a degree in Economics from the University of Western Ontario, Canada.

Mr Kasudjono Harianto, (Non-Executive Director, Chair of the Audit Committee) appointed 22 March 2013.
Mr Kasudjono Harianto is a qualified engineer with over 25 years' experience in management and operations in Indonesian natural resources. Mr Harianto has been Managing Director in his family timber business in Indonesia, which was the first concession in Kalimantan to be certified by an independent auditor as a Sustainable Forest Management Unit Production in 2010.

Mr Harianto is currently a Director of Indo Noble Pte Ltd; a Singapore investment holding and management company for various mining businesses in Indonesia and Asia. He oversees all operational aspects of nickel, gold, iron ore and copper projects in Indonesia.

Mr Harianto holds a Bachelor of Science in Industrial System Engineering, from University of Southern California, CA, USA.

Mr Michael Thirnbeck, (Non-Executive Director, Member of the Audit Committee) appointed 23 December 2013.
Mr Thirnbeck is an experienced geologist with over 25 years in managing numerous mineral development projects in Papua New Guinea, Indonesia and Australia. He has been a Member of the Australasian Institute of Mining and Metallurgy since 1989 and holds B.Sc. (Hons.) degree from University of Queensland.

Dr Tiffany Tsao, (Non-Executive Director, member of the Remuneration and Nomination Committee) appointed 28 March 2017.
Dr Tsao holds a PhD from the University of California, Berkeley, USA. She is currently a writer and editor of books that have been published by Amazon. She is an honorary associate at the University of Sydney, Australia. In the past, she has held teaching positions as lecturer in the University of New South Wales, University of Newcastle and Georgia Institute of Technology in Atlanta, Georgia, USA.

DIRECTORS' REPORT

Mr Alberto Migliucci, (Former Chairman & Non-Executive Director, former Member of the Audit Committee) appointed 13 October 2014; resigned 31 August 2017.

Mr Migliucci is the CEO and founder of Petra Commodities, a Singapore boutique investment firm. He is a specialist in natural resources for mergers and acquisitions, capital raising (debt and equity), structured finance, lending and IPO/RTOs.

Mr Migliucci is a highly experienced investment banker with outstanding qualifications. He was Managing Director of Credit Suisse's Global Energy Company as well as Head of the investment bank's Mining & Metals and Oil and Gas/Energy franchise in Asia.

With over 15 years' experience in Asia, Mr Migliucci also worked for Standard Bank PLC, where he was Head of the bank's Energy/Mining Finance Department for Asia Pacific, and for Societe Generale in Hong Kong, where he was a Vice President in the Project Finance & Advisory team.

He is a qualified geologist and has over 25 years' industry and finance experience.

Mr Migliucci holds a Bachelor of Science (Geology) with First Class Honours from the University of New South Wales (Sydney) and a Masters of Applied Finance from Macquarie University (Sydney).

Company Secretary

Mr Henry Kinstlinger, appointed 20 October 2016.
Henry Kinstlinger has in the past thirty years been actively involved in the financial and corporate management of several public companies and non-governmental organisations. He is a professional company secretary and corporate consultant with broad experience in investor and community relations and corporate and statutory compliance.

Mr Tai Minh Phan, appointed 17 December 2015, resigned 20 October 2016.
Mr Phan is an experienced lawyer, Company Secretary, corporate governance and compliance professional. He has worked with Boards and executive management for ASX listed and unlisted companies. He has experience in the IPO listing process for the ASX, has been appointed an external consultant for AUSTRAC and as the head of compliance for several large international companies. Mr Phan's experience covers a range of industries including financial services, mining, information technology and legal (both private practice and in-house). Mr Phan has a Graduate Diploma in Legal Practice from the College of Law and is admitted to practice by the Supreme Court of NSW. Mr Phan also has Bachelor of Laws and Bachelor of Science (Psychology) degrees from the University of New South Wales.

DIRECTORS MEETINGS

The following table sets out the number of directors' meeting held during the financial year and the number the number of meetings attended by each director (while they were a director). During the financial year, 4 board meetings were held. Whilst the Company has an established Audit and Remuneration Committee and a Remuneration and Nomination Committee, in the year ended 30 June 2017, the full Board sat in their capacity of both committees.

Directors	Board of Directors	
	Held	Attended
Yuen Loke Chin	4	4
Kasudjono Harianto	4	4
Michael Thirnbeck	4	4
Alberto Migliucci	4	4
Tiffany Tsao	-	-
Daniel Yeo Chin Tuan	-	-

The Company's constitution allows the Directors to pass resolutions equivalent to meetings by way of circulating resolution. The above table does not include the number of deemed meetings held by directors via circulating resolution.

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

During the year ended 30 June 2017, R3D Global Ltd varied the Intellectual Property Deed ("IP Deed") agreement with RedChip Companies Inc. The IP Deed will now allow for R3D Global Ltd to acquire and exploit the materials as set out in the IP Deed for the territories that it regards as its key markets, including Australia, South Africa, Israel and all of Asia except Korea. The Company provides investor relations, financial media and research for small-mid cap stocks.

DIVIDENDS

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made at the date of this report.

REVIEW OF OPERATIONS

The Company's net loss for the year ended 30 June 2017 was $6,548,482 (2016: $813,644).

On 29 August 2016, the Company terminated the Support Services Agreement ("SSA") with RedChip Companies Inc. pursuant to the terms of the SSA, which permitted termination for more than 4 breaches of the SSA. As a result of the termination of the SSA, the Company was no longer entitled to the services of RedChip Companies Inc. under the SSA. The Company and its third party suppliers now perform all back office, operational and sales and marketing functions.

The Company bought back 30,000,000 ordinary shares and Deferred Consideration Shares in accordance with the terms of the Buy-back Agreement entered into between the Company and RedChip Companies Inc. The shares were bought back for $1 and subsequently cancelled, resulting in the percentage holdings of all other shareholders increasing on a proportionate basis.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

For significant changes in the state of affairs, see review of operations above.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

There were no significant events after the reporting date.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is not subject to any specific environmental regulation in its operations under the law of a State,Territory or Commonwealth of Australia or Asia.

OPTIONS

There are no options outstanding at the date of this report. There were no options granted which expired during or since the end of financial year.

INTERESTS IN THE SHARES OF THE COMPANY AND RELATED BODIES CORPORATE

The following table sets out each director's relevant interest in shares of the Company as at the date of this report:

Directors	R3D Global Limited Fully paid ordinary shares Number
Yuen Loke Chin	-
Kasudjono Harianto	-
Michael Thirnbeck	-
Alberto Migliucci#	25,821,863
Tiffany Tsao	-
Daniel Yeo Chin Tuan	965,573
Florence Fang	-

23,821,863 shares are held by Petra Pacific Pte Ltd and 2,000,000 shares are held by Petra Commodities Pte Ltd

DIRECTORS' REPORT

INDEMNIFICATION AND INSURANCE OF DIRECTORS, AUDITORS AND OFFICERS

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

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company.

Indemnifying Officers

The Company has entered into agreements to indemnify directors of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has paid premiums to insure each of the current and former directors and senior executive officers of the Company against liabilities for costs and expenses incurred by them in defending legal proceeding arising from their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a willful breach of duty in relation to the Company. The total premiums paid during the year were $33,187 and the insurance policies do not contain details of the premiums paid in respect of individual officers of the Company.

PROCEEDINGS ON BEHALF OF THE 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 a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for directors and key management personnel of R3D Global Ltd.
The Directors of R3D Global Limited during or since the end of the financial year ended 30 June 2017 were:

Name	Position	Appointment	Ceased
Alberto Migliucci	Non-executive director	October 2014	31 August 2017
Michael Thirnbeck	Non-executive director	December 2013	n/a
Yuen Loke Chin	Non-executive director	March 2013	n/a
Kasudjono Harianto	Non-executive director	March 2013	n/a
Tiffany Tsao	Non-executive director	March 2017	n/a
Daniel Yeo Chin Tuan	Non-executive director	March 2017	n/a
Florence Fang	Executive director	August 2017	n/a

Remuneration Policy

The remuneration policy of R3D Global Ltd has been designed to align key management personnel ("KMP") objectives with shareholder and business objectives. The Board of R3D Global Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain high-quality KMP to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

KMP receive a base salary, plus superannuation guarantee contribution required by the government, which is currently 9.5% of the individual's average weekly ordinary time earnings.

All remuneration paid to KMP is valued at the cost to the Company and expensed.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Nomination and Remuneration Committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the annual general meeting.

Relationship between Remuneration Policy and Company Performance

As the Company is in its commencement phase, no remuneration is linked to performance conditions

The following table shows the gross revenue, profits and dividends for the last 2 years for the Company, as well as the share prices at the end of the respective financial years. Information prior to 2016 has not been shown as it relates to the period prior to the Company being reinstated to the Australian Securities Exchange.

	2016 (Restated) $	2017 $
Revenue	272,639	192,732
Net profit/(loss)	(813,644)	(6,548,082)
Share price at year-end	0.10	0.045
Dividends paid	Nil	Nil

Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial year, KMP of the Company. The table also illustrates the proportion of remuneration that was performance and non-performance based:

Key Management Personnel	Position held as at 30 June 2017 and any change during the year	Contract detail (duration & termination)	Proportions of elements of remuneration related to performance		Proportions of elements of remuneration not related to performance	
			Non-salary cash-based incentives %	Options %	Fixed Salary/ Fees %	Total %
Michael Thirnbeck	Director (Non-Executive)	No fixed term	-	-	100	100
Mr Yuen Loke Chin	Director (Non-Executive)	No fixed term	-	-	100	100
Mr Kasudjono Harianto	Director (Non-Executive)	No fixed term	-	-	100	100
Mr Alberto Migliucci	Director (Non-Executive)**	No fixed term	-	-	100	100
Dr Tiffany Tsao	Director (Non-Executive)*	No fixed term	-	-	100	100
Mr Daniel Yeo Chin Tuan	Director (Non-Executive)*	No fixed term	-	-	100	100
Mr Leo Lopez	Chief Executive Officer+	No fixed term	-	-	100	100
Ms Florence Fang	Chief Executive Officer#	No fixed term	-	-	100	100

* Appointed 28 March 2017

\+ Appointed 1 September 2016, resigned 17 March 2017

\# Appointed 31 August2017

** Resigned 31 August 2017

DIRECTORS' REPORT

The number of shares in the Company held during the financial year by each Director of R3D Global Ltd, including their related entities, is set out below:

2017	Balance at the start of the year	Changes during the year	Balance at the end of the year
Ordinary shares	**No.**	**No.**	**No.**
Yuen Loke Chin	-	-	-
Kasudjono Harianto	-	-	-
Michael Thirnbeck	-	-	-
Alberto Migliucci#	25,821,863	-	25,821,863
Tiffany Tsao*	-	-	-
Daniel Yeo Chin Tuan*	893,438	72,135	965,573

23,821,863 shares are held by Petra Pacific Pte Ltd and 2,000,000 shares are held by Petra Commodities Pte Ltd

* Appointed 28 March 2017 – balance at the start of the year represents the balance at this date

Table of Benefits and Payments for the Year Ended 30 June 2017

		Short-term Benefits	Post-employment Benefits	Termination Benefits	Total
		Salary	Superannuation		
		$	$	$	$
Yuen Loke Chin	2017	-	-	-	-
	2016	-	-	-	-
Kasudjono Harianto	2017	-	-	-	-
	2016	-	-	-	-
Michael Thirnbeck	2017	-	-	-	-
	2016	-	-	-	-
Alberto Migliucci	2017	-	-	-	-
	2016	-	-	-	-
Tiffany Tsao	2017	-	-	-	-
	2016	-	-	-	-
Daniel Yeo Chin Tuan	2017	-	-	-	-
	2016	-	-	-	-
Leo Lopez	2017	151,387	12,145	-	163,532
	2016	-	-	-	-
Florence Fang	2017	24,289	2,550	-	26,839
	2016	-	-	-	-
Raymond Davis Gentry	2017	-	-	-	-
	2016	189,089	-	-	189,089
Total	**2017**	**175,676**	**14,695**	**-**	**190,371**
	2016	**189,089**	**-**	**-**	**189,089**

DIRECTORS' REPORT

Options granted as part of remuneration

No options were granted or outstanding at the date of this report.

NON-AUDIT SERVICES

In accordance with advice received from the Audit and Risk Committee, the Board of Directors is satisfied that the provision of non-audit services during the financial year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Board is satisfied that the services disclosed below did not compromise the external auditor's Independence for the following reasons:

- all non-audit services are reviewed by the Board prior to commencement to ensure that they do not adversely affect the Integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable to HLB Mann Judd for non-audit services provided during the year ended 30 June 2017: $17,220.

The following fees were paid or payable to Deloitte Touche Tohmatsu for non-audit services provided during the year ended 30 June 2016: $8,475

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration for the year ended 30 June 2017 is set out on page 15 of the Annual Report.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors pursuant to s 298(2) of the Corporations Act 2001.

Signed by

Yuen Loke Chin
Director
27 September 2017

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of R3D Global Limited:

I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

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

Andrew J Newhouse
Registered Company Auditor
27 September 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $	2016 (Restated)* $
Revenue	6	192,732	272,639
Other income	6	20,798	5,786
Professional fees		(345,458)	(239,847)
ASX listing fee		(15,753)	(27,582)
Employment expenses		(232,721)	(189,089)
Support Services Agreement		27,264	(377,264)
Amortisation expense		(601,663)	(162,295)
Impairment expense		(5,237,705)	-
Operations expense		(89,520)	-
Rent expense		(68,665)	(17,267)
Business meetings, travel & transport		(66,451)	(10,366)
Insurance expense		(33,187)	-
Website & mobile app fees		(17,228)	(55)
Other expenses		(80,925)	(41,937)
Interest on related party loan		-	(26,367)
Profit/(Loss) before income tax		(6,548,482)	(813,644)
Income tax expense	7	-	-
Profit/(Loss) for the year		(6,548,482)	(813,644)
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss) for the year		(6,548,482)	(813,644)
Loss per share			
Basic earnings/(loss) per share (cents)	22	(10.47)	(2.07)
Diluted earnings/(loss) per share (cents)	22	(10.47)	(2.07)

*Refer Note 24 for details of correction of error.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	Note	2017	2016 (Restated)*
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	1,057,920	1,896,886
Trade and other receivables	9	22,000	15,877
Prepayments	10	9,900	9,900
TOTAL CURRENT ASSETS		1,089,820	1,922,663
NON-CURRENT ASSETS			
Intangible assets	11	-	5,837,705
Property, plant & equipment	12	5,021	3,756
Investments	13	20,435	23,450
TOTAL NON-CURRENT ASSETS		25,456	5,864,911
TOTAL ASSETS		1,115,276	7,787,574
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	56,997	180,812
TOTAL CURRENT LIABILITIES		56,997	180,812
TOTAL LIABILITIES		56,997	180,812
NET ASSETS		1,058,279	7,606,762
EQUITY			
Issued capital	17	61,770,159	61,770,160
Accumulated losses		(60,711,880)	(54,163,398)
TOTAL EQUITY		1,058,279	7,606,762

*Refer Note 24 for details of correction of error.

The above statement of financial position should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

	Issued capital	Accumulated Losses	Total
	$	$	$
Balance at 1 July 2015	53,103,984	(53,291,592)	(187,608)
Total Comprehensive Loss*	-	(813,644)	(813,644)
Conversion and extinguishment of loans to equity	-	(58,162)	(58,162)
Shares issued	8,940,000	-	8,940,000
Cost of issuing equity	(273,824)	-	(273,824)
Balance at 30 June 2016	61,770,160	(54,163,398)	7,606,762
Balance at 1 July 2016	61,770,160	(54,163,398)	7,606,762
Total Comprehensive Loss	-	(6,548,482)	(6,548,482)
Share buy-back	(1)	-	(1)
Balance at 30 June 2017	61,770,159	(60,711,880)	1,058,279

*Refer Note 24 for details of correction of error.

The above statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $	2016 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		175,265	237,064
Payments to suppliers and employees		(1,020,819)	(752,490)
Interest received		9,517	5,786
Interest paid		-	(1,563)
Net cash provided by (used in) operating activities	8	(836,037)	(511,203)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for office equipment		(2,928)	(3,759)
		(2,928)	(3,759)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	150,000
Repayments of borrowings		-	(50,000)
Share buy-back		(1)	-
Net proceeds from issued share capital		-	2,229,506
Net cash provided by (used in) financing activities		(1)	2,329,506
Net increase/(decrease) in cash and cash equivalents held		(838,966)	1,814,544
Cash and cash equivalents at beginning of financial year		1,896,886	82,342
Cash and cash equivalents at end of financial year	8	1,057,920	1,896,886

The above statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: GENERAL INFORMATION

R3D Global Limited ("the Company") is a public company incorporated in Australia, listed on the Australian Securities Exchange.

Registered office and principal place of business
Level 36
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia

The financial statements were authorised for issue by the directors of the Company on 27 September 2017.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial report is a general purpose financial report that has 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*.The Company is a for-profit entity for the purpose of preparing the financial statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Going concern

The financial report has been prepared on the going concern basis, which assumes that the Company will be able to realise its assets and discharge its liabilities in the normal course of business.

As at 30 June 2017, the Company had net assets of $1,058,279 and net current assets of $1,032,823, and in the year then ended incurred a loss of $6,548,482 and net operating cash outflows of $836,037. These conditions give rise to a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern and to pay its debts as and when they become due and payable is dependent upon the Company earning sufficient revenue and reducing its costs. Given the funds available at 30 June 2017, and the approved budget for the 2018 year, the Directors are of the opinion that the Company has sufficient cash to be able to continue as a going concern.

(c) 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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

(e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Rendering of services

Revenue relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period, where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Interest income

Revenue is recognised as the interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(f) Trade and other receivables

Trade receivables for the activities, which generally have 14 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. Non-current trade and other receivables are discounted to their present value based on market rates of interest.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An allowance for impairment is recognised when there is objective evidence that the Company will not be able to collect the receivable. Financial difficulties of the debtor, default payments or overdue debts are considered objective evidence of impairment.

(g) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(h) Intangible assets

Intangible assets acquired separately

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(i) Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost.

(j) Borrowing Costs

Borrowing costs are expensed as incurred (using the effective interest rate method), except where they are directly attributable to the acquisition or construction of a qualifying asset, in which case they are capitalised as part of the asset. The Company does not have any qualifying assets in the reporting period.

(k) Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

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

Impairment testing is performed annually for intangible assets.

(l) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short term deposits with an original maturity of 3 months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(m) Employee Leave Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick lease expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the non-current provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Employee benefit on-costs

Employee benefit on-costs, including payroll tax, superannuation and workers' compensation insurance, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(n) Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- 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
- less any reduction for impairment.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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 (or when this cannot be reliably predicted, the contractual term) 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.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which are classified as non-current assets.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(o) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Company prior to the end of the financial 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.

(p) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

(q) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantively enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of to profit or loss when the tax relates to items that are credited or charged directly to equity.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(r) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO").

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(s) Issued capital

Ordinary shares are classified as equity.

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

(t) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at the end of the reporting date.

(u) Earnings per share

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

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(v) Comparatives

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

(w) Critical accounting estimates and judgments

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

Key estimates

Impairment

The Company assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

During the year ended 30 June 2017, the Company fully impaired the cost of the Intellectual Property Deed ("IP Deed") agreement with RedChip Companies Inc. The IP Deed allowed for R3D Global Ltd to acquire and exploit all the materials as set out in the IP Deed for the world outside of North and South America and online. The impairment expense of $5,237,705 is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Key judgements

Provision for impairment of receivables

Included in trade receivables at the end of the reporting period was an amount of $23,092, owing from one client, that remains uncollected since September 2016 and at the date of this report. This amount represents 51% of the total trade receivables. A provision for impairment has been brought to account on the basis that this amount will not be collected.

(x) Standards and Interpretations on issue not yet adopted

Certain Accounting Standards have been issued by the Australian Accounting Standards Board prior to 30 June 2017 that are not yet mandatorily applicable to the Company. The Company's assessment of the impact of those standards is discussed below:

- AASB 9*: Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 July 2018).

  The Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

  As the Company already carries its investment in listed shares at fair value through profit or loss, this standard is expected to have no impact.

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 July 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

  When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Apart from a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

  The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

  - identify the contract(s) with a customer;
  - identify the performance obligations in the contract(s);
  - determine the transaction price;
  - allocate the transaction price to the performance obligations in the contract(s); and
  - recognise revenue when (or as) the performance obligations are satisfied.

  The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

  Although the directors anticipate that the adoption of AASB 15 may have an impact on the Company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 July 2019).

  When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

  The main changes introduced by the new Standard are as follows:

  - recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

- depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application

Although the directors anticipate that the adoption of AASB 16 will impact the Company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact

No other Accounting Standards that have been issued prior to 30 June 2017 are expected to have any impact on the future financial statements of the Company.

NOTE 3: FINANCIAL RISK MANAGEMENT

Objectives and policies and financial instruments

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

The totals for each category of financial instruments, measured in accordance with *AASB 139: Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2017 $	2016 $
Financial assets			
Cash and cash equivalents	8	1,057,920	1,896,886
Trade and other receivables	9	22,000	15,877
Total financial assets		1,079,920	1,912,763
Financial liabilities			
Trade and other payables	14	56,997	180,812
Total Financial liabilities		56,997	180,812

Financial Risk Management Policies

The Board of Directors monitors the Company's financial risk management policies and exposures and approves financial transactions. It also reviews the effectiveness of internal controls relating to counterparty credit risk, currency risk, liquidity risk and interest rate risk.

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and other price risk (equity price risk). There have been no substantive changes in the types of risks the Company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

NOTE 3: FINANCIAL RISK MANAGEMENT (Cont.)

Credit risk

There are no significant concentrations of credit risk within the Company.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents, the Company's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The class of assets described as 'Trade and other receivables' is considered to be the main source of credit risk.

Credit risk is managed through the maintenance of procedures (such as the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 14 to 30 days from the invoice date.

Credit risk related to balances with banks and other financial institutions is managed 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.

Liquidity risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to its trade and other payables. The Company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- maintaining a reputable credit profile; and
- only investing surplus cash with major financial institutions.

Other payables are payable within 1 year.

Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial instruments that primarily expose the Company to interest rate risk are cash and cash equivalents. The Company is not aware of any significant risk relating to interest rates.

Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Company holds financial instruments which are other than the AUD functional currency of the Company. The Company is not aware of any such risk**.**

Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors (other than those arising from interest rate risk or currency risk) for commodities. The Company is not aware of any such risk, other than in relation to its investments.

Sensitivity analysis

The following table illustrates sensitivities to the Company's exposures to changes in interest rates.. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

NOTE 3: FINANCIAL RISK MANAGEMENT (Cont.)

	Profit $	Equity $
Year to 30 June 2017		
+/- 100 basis points in interest rates	10,579	10,579
Year to 30 June 2016		
+/- 100 basis points in interest rates	18,969	18,969

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities approximate their carrying amounts. Refer to Note 4 for detailed disclosures regarding the fair value measurement of the Company's financial assets and financial liabilities.

NOTE 4: FAIR VALUE MEASUREMENTS

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Shares in listed companies

Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

NOTE 4: FAIR VALUE MEASUREMENTS (Cont.)

	Note	**30 June 2017** **Level 1** **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Recurring fair value measurements					
Financial assets					
Shares in listed companies	13	20,435	-	-	20,435
Total financial assets recognised at fair value on a recurring basis		20,435	-	-	20,435

	Note	**30 June 2016** **Level 1** **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Recurring fair value measurements					
Financial assets					
Shares in listed companies	13	23,450	-	-	23,450
Total financial assets recognised at fair value on a recurring basis		23,450	-	-	23,450

NOTE 5: SEGMENT INFORMATION

The directors have considered the requirements of AASB 8 Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded at this time that there are no separately identifiable segments. The Company operates solely as a provider of investor relations, financial media and research for small-mid cap stocks.

NOTE 6: REVENUE AND OTHER INCOME

	2017 **$**	**2016** **$**
Revenue		
Services income	192,732	272,639
Other income		
Interest received	9,518	5,786
Other income	11,280	-
	20,798	5,786

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: INCOME TAX

	2017 $	2016 $
a. The components of tax expense/(benefit) comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
b. The prima facie tax on profit/(loss) before income tax is reconciled to the income tax expense as follows:		
Prima facie tax (benefit)/expense on (loss)/profit before income tax at 27.5% (2016: 30%)	(1,800,833)	(244,093)
Non-assessable income	-	-
Non-deductible amounts	44,664	64,330
Tax losses not recognised	1,756,169	179,763
Income tax expense	-	-

The franking account balance of the Company at 30 June 2017 is $ Nil (30 June 2016: $ Nil).

The available gross tax losses of the Company at 30 June 2017 are $6,985,003 (30 June 2016: $400,678). These losses can be deducted against future taxable income.

NOTE 8: CASH & CASH EQUIVALENTS

	2017 $	2016 $
Cash at bank and in hand	1,057,920	1,896,906
Reconciliation of Cash Flows from Operations with Profit after income Tax		
Profit/(Loss) after income tax	(6,548,482)	(813,644)
Non-cash flows in profit:		
Depreciation and amortisation	601,663	162,298
Impairment	5,237,705	-
Other non-cash expenses	3,015	17,632
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(6,123)	(10,525)
(Increase)/decrease in prepayments	-	(9,900)
Increase/(decrease) in trade and other payables	(123,815)	142,936
Net cash flow from operations	(836,037)	(511,203)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9: TRADE AND OTHER RECEIVABLES

	2017 $	2016 $
CURRENT		
Trade receivables	45,092	13,338
Other receivables	-	2,539
Provision for impairment	(23,092)	-
Total current trade and other receivables	22,000	15,877

Provision for Impairment of Receivables
Movement in the provision for impairment of receivables is as follows:

	Opening Balance 01/07/2016 $	Change for the Year $	Amounts Written Off $	Closing Balance 30/06/2017 $
Current trade receivables	-	(23,092)	-	(23,092)
	-	(23,092)	-	(23,092)

Credit risk

The Company has no significant concentration of credit risk with respect to any single counterparty or company of counterparties other than those receivables specifically provided for and mentioned within Note 9. The class of assets described as “trade and other receivables” is considered to be the main source of credit risk related to the Company.

The following table details the Company’s trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as “past due” when the debt has not been settled, with the terms and conditions agreed between the Company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Company.

NOTE 9: TRADE AND OTHER RECEIVABLES (Cont.)

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount $	Past Due and Impaired $	Past Due but Not Impaired (Days Overdue) < 30 $	31–60 $	61–90 $	> 90 $	Within Initial Trade Terms $
2017							
Trade and term receivables	45,092	23,092	5,500	-	11,000	5,500	-
Other receivables	-	-	-	-	-	-	-
Total	45,092	23,092	5,500	-	11,000	5,500	-

	Gross Amount $	Past Due and Impaired $	Past Due but Not Impaired (Days Overdue) < 30 $	31–60 $	61–90 $	> 90 $	Within Initial Trade Terms $
2016							
Trade and term receivables	13,338	-	13,338	-	-	-	-
Other receivables	2,539	-	2,539	-	-	-	-
Total	15,877	-	15,877	-	-	-	-

NOTE 10: PREPAYMENTS

	2017 $	2016 $
CURRENT		
Prepayments	9,900	9,900
Total prepayments	9,900	9,900

NOTE 11: INTANGIBLE ASSETS

	2017 $	2016 $
Carrying amounts of		
Intellectual Property Deed (IP Deed)	-	5,837,705
Total intangible assets	-	5,837,705
Movement:		
Balance at beginning of year	5,837,705	-
Acquisition of IP Deed, at cost	-	6,000,000
Amortisation expense	(600,000)	(162,295)
Impairment expense	(5,237,705)	-
Balance at end of financial year	-	5,837,705

During the year ended 30 June 2017, the Company fully impaired the cost of the IP Deed agreement with RedChip Companies Inc. as the recoverable amount of the asset could not be reliably measured. The IP Deed allows for R3D Global Ltd to acquire and exploit all the materials as set out in the IP Deed for the world outside of North and South America and online. The impairment expense of $5,237,705 is recognised in profit or loss.

NOTE 12: PROPERTY, PLANT & EQUIPMENT

	2017 $	2016 $
Plant & Equipment		
Office equipment – at cost	6,687	3,759
Provision for depreciation	(1,666)	(3)
Carrying value	5,021	3,756

Movements:	Office equipment $	Total $
Balance at 1 July 2015	-	-
Additions	3,759	3,759
Depreciation expense	(3)	(3)
Balance at 30 June 2016	3,756	3,756
Additions	2,928	2,928
Depreciation expense	(1,663)	(1,663)
Balance at 30 June 2017	5,021	5,021

NOTE 13: INVESTMENTS

	2017 $	2016 $
Listed investment: at fair value through profit or loss	20,435	23,450

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14: TRADE AND OTHER PAYABLES

	2017 $	2016 $
Unsecured liabilities:		
Trade payables	9,848	26,837
Other payables	47,149	153,975
Total current trade and other payables	56,997	180,812

Trade payables and other payables and accruals are non-interest bearing and are normally settled on 30 days - 150 days terms.

Financial liabilities at amortised cost classified as trade and other payables	**2017 $**	**2016 $**
Trade and other payables:		
Total current	56,997	180,812
Total non-current	-	-
	56,997	180,812

NOTE 15: BORROWINGS - CURRENT

	2017 $	2016 $
Balance at beginning of year	-	28,285
(Amount converted to shares)	-	(28,285)
Balance at end of financial year	-	-

NOTE 16: BORROWINGS – NON-CURRENT

	2017 $	2016 $
Balance at beginning of year	-	209,141
Shareholder loan – Petra Pacific Pte Ltd	-	100,000
Extinguishment of Petra Pacific loan	-	(309,141)
Balance at end of financial year	-	-

Petra Pacific Pte Ltd is a shareholder of the Company, and was a director-related entity.

On 18 March 2016, the loan from Petra Pacific Pte Ltd was extinguished with no consideration in return, and the loan with Petra Commodities Pte Ltd was converted into 2,000,000 fully paid ordinary shares at the fair value of the Company's shares on the date of conversion. The loss on conversion and extinguishment has been recorded in Accumulated Losses as this in substance is deemed to be a profit distribution to a shareholder.

NOTE 17: ISSUED CAPITAL

a) Issued and paid up capital	**2017**	**2016**
	$	**$**
Fully paid ordinary shares at the beginning of the year	61,770,160	53,103,984
Shares issued during the year	-	2,500,000
Shares issued under the IP Deed (refer to note 11)	-	6,000,000
Shares issued on conversion of loans	-	440,000
Capital raising costs	-	(273,824)
Share buy-back#	(1)	-
Fully paid ordinary shares at end of the year	61,770,159	61,770,160

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Fully paid ordinary shares participate in the wounding up of the parent entity in proportion to the number of securities held.

	2017	**2016**
	No.	**No.**
b) Movement in shares on issue		
Balance at beginning of financial year	71,147,058	106,587,499
Share consolidation*	-	(79,940,441)
Shares issued post-consolidation:		
18 March 2016	-	44,500,000
Share buy-back#	(30,000,000)	-
Balance at end of financial year	41,147,058	71,147,058

*On 21 December 2015 in an Extraordinary General Meeting of shareholders, the Company passed a motion to consolidate the existing Company shares on a one for four basis.

On 18 March 2016 44,500,000 shares were issued. 30,000,000 shares were issued as consideration under the Intellectual Property Deed to RedChip Companies Inc, a company controlled by Raymond Davis Gentry, at a value of $0.20 per share. 12,500,000 shares were issued under the prospectus offer, raising $2,500,000. 2,000,000 shares were issued to Petra Commodities Pte Ltd, a company controlled by Alberto Migliucci, on the conversion of a convertible loan made by it and Petra Pacific Pte Ltd, another company controlled by Alberto Migliucci, at a value of $0.22 per share.

#On 17 March 2017 the Company bought back 30,000,000 ordinary shares in accordance with the terms of the buy-back Agreement entered into between the Company and RedChip Companies Inc. The shares were bought back for $1 and subsequently cancelled, resulting in the percentage holdings of all other shareholders increasing on a proportionate basis.

Capital Management

Management controls the capital of the Company in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Company can fund its operations and continue as a going concern. The Company's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

The Company is not subject to any externally imposed capital requirements.

NOTE 18: INTEREST OF KEY MANAGEMENT PERSONNEL (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2017.

The key management personnel during the years ended 30 June 2017 and 2016 were as follows:

2017	2016
Mr Yuen Loke Chin	Mr Yuen Loke Chin
Mr Kasudjono Harianto	Mr Kasudjono Harianto
Mr Michael Thirnbeck	Mr Michael Thirnbeck
Mr Alberto Migliucci	Mr Alberto Migliucci
Dr Tiffany Tsao	Mr Raymond Davis Gentry – Resigned 26 May 2016
Mr Daniel Yeo Chin Tuan	
Mr Leo Lopez – Resigned 17 March 2017	
Ms Florence Fang – Appointed 17 March 2017	

The totals of remuneration paid to KMP of the Company during the year are as follows:

	2017 $	2016 $
Short-term employee benefits	175,676	189,089
Post-employment benefits	14,695	-
Share-based payments	-	-
	190,371	189,089

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

NOTE 18: INTEREST OF KEY MANAGEMENT PERSONNEL (KMP) (Cont.)

Post-employment benefits

These amounts are the current-year's estimated costs of providing for superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

The number of shares in the Company held during the financial year by each Director of R3D Global Ltd and Key Management Personnel of the Company, including their related entities, are set out below:

2017	**Balance at the start of the year**	**Changes during the year**	**Balance at the end of the year**
Ordinary shares	**No.**	**No.**	**No.**
Yuen Loke Chin	-	-	-
Kasudjono Harianto	-	-	-
Michael Thirnbeck	-	-	-
Alberto Migliucci#	25,821,863	-	25,821,863
Tiffany Tsao*	-	-	-
Daniel Yeo Chin Tuan*	893,438	72,135	965,573
Leo Lopez+	-	-	-
Florence Fang^	-	-	-

23,821,863 shares are held by Petra Pacific Pte Ltd and 2,000,000 shares are held by Petra Commodities Pte Ltd

* Appointed 28 March 2017 - balance at the start of the year represents the balance at this date

+ Appointed 1 September 2016, resigned 17 March 2017 - balance at the start of the year represents the balance at 1 September 2016. Balance at end of the year represents balance at 17 March 2017

^ Appointed 17 March 2017 - balance at the start of the year represents the balance at this date

2016	**Balance at the start of the year**	**Changes during the year**	**Balance at the end of the year**
Ordinary shares	**No.**	**No.**	**No.**
Yuen Loke Chin	-	-	-
Kasudjono Harianto	-	-	-
Michael Thirnbeck	-	-	-
Alberto Migliucci#	23,821,863	2,000,000	25,821,863
Raymond Davis Gentry*+	-	30,000,000	30,000,000^

23,821,863 shares are held by Petra Pacific Pte Ltd and 2,000,000 shares are held by Petra Commodities Pte Ltd

* Appointed 23 March 2016 – balance at the start of the year represents the balance at this date

+ Resigned 26 May 2016 – balance at the end of the year represents the balance at this date. All shares are held by RedChip Companies Inc

^ The Company bought back these 30,000,000 ordinary shares in accordance with the terms of the Buy-back Agreement entered into between the Company and RedChip Companies Inc. The shares were bought back for $1 and subsequently cancelled, resulting in the percentage holdings of all other Shareholders increasing on a proportionate basis.

NOTE 19: DIVIDENDS

No dividends were paid to members during the financial year or prior year.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 20: AUDITOR'S REMUNERATION

HLB Mann Judd	2017 $	2016 $
Audit or review of financial statements	30,000	-
Other services - Tax	17,220	-
	47,220	-

Previous auditors	2017 $	2016 $
Audit or review of financial statements	-	33,750
Other services - Tax	-	8,475
	-	42,225

NOTE 21: RELATED PARTIES

Transactions with related parties:

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

The following transactions occurred with related parties during 2017:

- The Company terminated the Support Services Agreement ("SSA") with RedChip Companies Inc. pursuant to the terms of the SSA, which permitted termination for more than 4 breaches of the SSA. As a result of the termination of the SSA, the Company was no longer entitled to the services of RedChip Companies Inc. under the SSA. The Company and its third party suppliers now perform all back office, operational and sales and marketing functions.
- The Company bought back 30,000,000 ordinary shares in accordance with the terms of the Buy-back Agreement entered into between the Company and RedChip Companies Inc. The shares were bought back for $1 and subsequently cancelled, resulting in the percentage holdings of all other Shareholders increasing on a proportionate basis.

No amounts were outstanding to other related parties at the end of the year or at the end of the prior year.

The following transactions occurred with related parties during 2016:

- $100,000 was lent to R3D Global Limited (Formerly RedChip International Limited) from Petra Pacific Pte Ltd. See Note 16 for more details.
- 2,000,000 ordinary shares were issued to Petra Commodities Pte Ltd in satisfaction of the loans made to the Company by both Petra Commodities Pte Ltd and Petra Pacific Pte Ltd. See Note 15 and Note 16 for more details.
- 30,000,000 shares were issued as consideration under the Intellectual Property Deed to RedChip Companies Inc
- $350,000 was paid to RedChip Companies Inc in relation to the Support Services Agreement
- $26,367 was charged to the Company on the related party loan.

NOTE 22: EARNINGS PER SHARE

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

Diluted earnings per share amounts are calculated by dividing the net profit/(loss) attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of any dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings/(loss) per share computations:

	2017	2016
	$	$
Profit/(Loss) for the year attributable to members	(6,548,482)	(813,644)
	No.	No.
Weighted average number of ordinary shares for basic earnings per share	62,516,921	39,291,867
Effect of dilution	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	62,516,921	39,291,867

NOTE 23: COMMITMENTS

The Company had no commitments as at 30 June 2017.

At 30 June 2016, as part of the Support Services Agreement (“SSA”) entered into between RedChip Companies Inc and RedChip International Ltd, RedChip International Ltd was committed to paying $800,000 to RedChip Companies Inc for the support services that had been agreed between the two parties as follows:

- $350,000 was paid during the year ended 30 June 2016
- $350,000 was payable during the financial year ended 30 June 2017, with $175,000 payable in September 2016 and 2 equal instalments of $87,500 in December 2016 and March 2017
- $100,000 was payable in equal monthly amounts commencing 15 months after completion of the commencement date and ceasing on the expiry of the term.

The Company terminated the SSA on 29 August 2016 and is no longer required to make these payments. The Company had no other commitments as at 30 June 2016.

NOTE 24: CORRECTION OF ERROR – PREPAYMENTS

The Statement of Financial Position at 30 June 2016 included a prepayment of $283,333 in relation to the Support Services Agreement. This amount should have been shown as an expense of the year ended 30 June 2016.

The error has been corrected by restating each of the affected line items for the prior year as follows:

	2016	Increase (Decrease)	2016 Restated
	$	$	$
Statement of Financial Position			
Prepayments	293,233	(283,333)	9,900
Total current assets	2,205,996	(283,333)	1,922,663
Net assets	7,890,095	(283,333)	7,606,762
Accumulated losses	(53,880,065)	283,333	(54,163,398)
Total equity	7,890,095	(283,333)	7,606,762
Statement of Profit or Loss and Other Comprehensive Income			
Expenses – Support Services Agreement	93,931	283,333	377,264
Profit/(Loss) before income tax	(530,311)	283,333	(813,644)
Total comprehensive income/(loss) for the period	(530,311)	283,333	(813,644)

Basic and diluted earnings per share for the year ended 30 June 2016 have also been restated, from a loss per share of 1.35 cents to a loss per share of 2.07 cents.

NOTE 25: NAME CHANGE

On 24 November 2016, a resolution was carried at the AGM to change the name of the Company to R3D Global Limited.

DIRECTORS DECLARATION

1. In the directors' opinion:

   (a) the financial statements and notes set out on pages 16 to 41 are in accordance with the *Corporations Act 2001*, including:

      (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
      (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001;* and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The directors have been given the declarations by the chief executive officer for the year ended 30 June 2017 required by section 295A of the *Corporations Act 2001*.

3. The notes to the financial statements include a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the board of directors of R3D Global Limited.

Yuen Loke Chin
Director
27 September 2017

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the Members of R3D Limited:

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

I have audited the financial report of R3D Limited ("the Company") which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company on xx September 2017, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 1(b) in the financial report, which indicates that the Company incurred a net loss of $6,548,482 and had net operating cash outflows of $ 836,037 during the year ended 30 June 2017 and, as of that date, the Company's current assets exceeded its current liabilities by $ 1,032,823. As stated in Note 1(b), these events or conditions, along with other matters as set forth in Note 1(b), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

HLB Mann Judd (Wollongong) Pty Ltd ABN 20 073 798 615
Level 1 65 Kembla Street Wollongong NSW 2500 Australia | PO Box 544 Wollongong NSW 2520
Telephone +61 (0)2 4254 6500 | Fax +61 (0)2 4226 2371 | Email: admin@hlbw.com.au | Website: www.hlb.com.au

HLB Mann Judd
Accountants | Business and Financial Advisers

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, I have determined the matters described below to be the key audit matters to be communicated in my report**.**

Key Audit Matter	How our audit addressed the key audit matter
Audit of opening balances	
I was appointed auditor of R3D Limited on 24 November 2016. The financial statements for the year ended 30 June 2017 include comparative information for the year ended 30 June 2016, which was audited by another auditor. Australian Auditing Standard ASA 510: *Initial Audit Engagements – Opening Balances* requires that I obtain sufficient appropriate audit evidence about whether: (a) Opening balances contain misstatements that materially affect the current period's financial report; and (b) Appropriate accounting policies reflected in the opening balances have been consistently applied in the current period's financial report, or changes thereto are appropriately accounted for and adequately presented and disclosed in accordance with the applicable financial reporting framework. I consider this to be a key audit matter because of its possible impact on the current year financial report.	I read the financial report for the year ended 30 June 2016 and the predecessor auditor's report thereon for information relevant to opening balances, including disclosures. I obtained sufficient appropriate audit evidence about whether the opening balances contain misstatements that materially affect the current year's financial report by: (a) Checking whether the 2016 period's closing balances have been correctly brought forward to the 2017 year; (b) Determining whether the opening balances reflect the application of appropriate accounting policies; and (c) Performing specific audit procedures to obtain audit evidence regarding the opening balances.
Recognition of intangible asset – Intellectual Property Deed: Recognition as an asset	
Note 11 to the financial statements discloses that during the year ended 30 June 2016 the Company entered into an Intellectual Property Deed "(IP Deed") with RedChip Companies Inc ("RedChip US"). The Deed gave to the Company the rights to acquire and exploit materials set out in the IP Deed outside of North and South America subject to the provisions of the IP Deed, for a period of 10 years from the date of the IP Deed. The directors determined that this IP Deed was an intangible asset. I consider this to be a key audit matter because of the size of the asset recognised.	I reviewed the Directors' assessment as to whether or not the asset that had been recognised meets both the definition of an intangible asset and the definition of an asset included in Australian Accounting Standard AASB 138: *Intangible Assets.*

HLB Mann Judd
Accountants | Business and Financial Advisers

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Recognition of intangible asset – Intellectual Property Deed: Valuation</td></tr>
<tr><td>The consideration paid for the acquisition of those rights was 30,000,000 fully paid shares of the Company, as well as 5,000,000 Deferred Consideration Shares.

Australian Accounting Standard AASB 138: Intangible Assets requires that the cost of intangible assets acquired is to be recognised at the fair value of the consideration given to acquire that asset.

Directors determined that the fair value of the consideration given was $0.20 per share, based on other shareholders paying $0.20 per share for shares of the same type at the same time as the Company issued shares as consideration for the acquisition of the intangible asset. This asset was recognised in the 2016 financial report at a cost of $6,000,000.

I consider this to be a key audit matter because of the judgement involved in determining the fair value of the shares issued as consideration.</td><td>I reviewed the method used by the Directors to determine the fair value of the consideration given, and considered whether or not another more appropriate method should have been used to measure that consideration.

I reviewed the calculations that were made by the Directors, and considered whether they complied with the requirements of AASB 138.</td></tr>
<tr><td colspan="2">Intangible asset – Intellectual Property Deed: Impairment</td></tr>
<tr><td>The financial statements disclose at Note 11 that during the year ended 30 June 2017 the Directors considered that the intangible asset had been impaired, as the recoverable amount of the asset could not be reliably estimated, and recognised an impairment expense of $ 5,237,705 in profit or loss.

As also disclosed in Note 11, during the year ended 30 June 2017 various disputes arose between the Company and RedChip US, and the Support Services Agreement between the 2 parties was terminated. As a result:
(a) the Company retained its IP Rights, other than for specific territories,
(b) the 30,000,000 shares that had been issued to RedChip US were bought back by the Company for $1, and
(c) RedChip US forfeited its rights to any deferred consideration shares.

I consider this to be a key audit matter because of the judgement involved in the Directors' decision, and the size of the impairment expense that has been recognised.</td><td>I reviewed the Director's consideration of the recoverable amount of the intangible asset.</td></tr>
</table>

HLB Mann Judd

Accountants | Business and Financial Advisers

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and my auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

HLB Mann Judd (Wollongong) Pty Ltd ABN 20 073 798 615
Level 1 65 Kembla Street Wollongong NSW 2500 Australia | PO Box 544 Wollongong NSW 2520
Telephone +61 (0)2 4254 6500 | Fax +61 (0)2 4226 2371 | Email: admin@hlbw.com.au | Website: www.hlb.com.au

HLB Mann Judd
Accountants | Business and Financial Advisers

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the directors, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

I have audited the Remuneration Report included in pages 11 to 14 of the directors' report for the year ended 30 June 2017.

In my opinion, the Remuneration Report of R3D Limited for the year ended 30 June 2017 complies with section 300A of the *Corporations Act 2001*.

Responsibilities of the Directors for the Remuneration Report

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*. My responsibility is to express an opinion on the Remuneration Report, based on my audit conducted in accordance with Australian Auditing Standards.

Wollongong, NSW
27 September 2017

Andrew Newhouse
Registered Company Auditor

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES – UNAUDITED

The following additional information is required by the ASX Limited in respect of listed public companies only. Shareholders information set out below was applicable at 31 August 2017.

1. Shareholdings

a. Distribution of Shareholders

	Number of equity security holders
Category	**Ordinary shares**
1 - 1,000	431
1,001 - 10,000	399
10,001 - 100,000	64
100,001 and over	16

b. The number of shareholdings held in less than marketable parcel is 770.

c. The names of the substantial shareholders listed in the holding company's register are:

	Number
Shareholder	**Ordinary**
Petra Pacific Pte Ltd	23,821,863
Whatt Ng Han	3,500,000

d. Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES – UNAUDITED

e. 20 Largest Shareholders – Ordinary Shares

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	Petra Pacific Pte Ltd	23,821,863	57.89%
2	Whatt Ng Han	3,500,000	8.51%
3	Petra Commodities Pte Ltd	2,000,000	4.86%
4	Muliawan Rolex	1,115,000	2.71%
5	Tuan Daniel Yeo Chin	893,438	2.17%
6	Taraville PL	859,961	2.09%
7	Diamond Mountain Wealth C	750,000	1.82%
8	Gioquest Ltd	700,000	1.70%
9	German Bulk Carrier Inc	500,000	1.22%
10	Ooi Douglas	500,000	1.22%
11	Kim Leslie Kuek Bak	500,000	1.22%
12	Crossroads Inv Pte Ltd	428,135	1.04%
13	Guildford Entps Ltd	350,000	0.85%
14	Baek Kwon Woo	300,000	0.73%
15	Leggett Jaimes William A	109,829	0.27%
16	Henderson Noel R + J	100,109	0.24%
17	Torrington Fiona Helen	77,202	0.19%
18	HSBC Custody Nom Aust Ltd	72,135	0.18%
19	Bernstein Steven	70,000	0.17%
20	Pan Aust Nom PL	62,684	0.15%
		36,710,356	89.23%

2. Stock Exchange Listing

The Company has been admitted to the Official List of the Australian Securities Exchange (“ASX”).

3. Difference in results reported to Australian Securities Exchange

The results reported to the ASX in the preliminary final report do not differ from those reported in the annual report.