Cirralto Limited

(formerly Motopia Limited)

ABN 67 099 084 143

Appendix 4D

Half-Year Ended 31 December 2017

CONTENTS

- Results For Announcement To The Market
- Half-Year Financial Report
- Independent Review Report

Appendix 4D

Half-Year Report

Name of Entity

Cirralto Limited (formerly Motopia Limited)

ABN or equivalent company reference	Half-Yearly *(tick)*	Preliminary final *(tick)*	Financial Year Ended ('current period')
A.B.N. 67 099 084 143	✓		6 months ended 31 Dec 17

Results for announcement to the market

Results	A $
Total Revenues	Up from $37,995 to $329,665
Net loss for the period attributable to members	Up from $766,758 to $1,917,214

Dividends	**Amount per security**	**Franked amount per security**
Final dividend - no dividend is proposed	N/A	N/A
Previous corresponding period - no dividend declared	N/A	N/A
Record date for determining entitlements to the dividend, (in the case of a trust, distribution)	N/A	

NTA backing	Current period	Previous corresponding period
Net tangible assets backing per ordinary security (in cents)	$ nil	$ nil

Explanation of Net Loss

The consolidated net loss for the half-year after income tax attributable to members of the parent entity amounted to $1,917,214 (2016 December loss: $766,758).

1. **Details of entity over which control has been gained or lost during the period:**

   On 7th September 2017 the company wholly acquired 100% of the issued capital in Cirralto Business Services Pty Ltd ("CBS") via the issue of 132,500,000 shares in the Company at an issue price of $0.038 (being the published share price at acquisition date) each as consideration. The acquisition was fully funded via the issue of shares in the Company to CBS shareholders. Through acquiring 100% of CBS, the Company has obtained control.

2. **Details of individual and total dividends or distribution payments. The details must include the date on which each dividend or distribution is payable, and if known the amount per security of foreign sourced dividend or distribution.**

   Not applicable - no dividends have been declared or paid.

3. **Details of any dividends or distribution reinvestment plans in operations and the last date for receipt of an election notice for participation in any dividend or distribution reinvestment plan.**

   Not applicable

4. **Details of associated joint venture entities**

   Not applicable

   This report is based on:

   The financial report has been reviewed by an independent auditor.



Print Name: Justyn Stedwell (Company Secretary)
28 February 2018

CIRRALTO LIMITED
AND ITS
CONTROLLED ENTITIES
ABN: 67 099 084 143

(Formerly Motopia Limited)

FINANCIAL REPORT

HALF-YEAR ENDED
31 DECEMBER 2017

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Corporate Information

This half-year report covers the Cirralto Group comprising Cirralto Limited (formerly Motopia Limited) and its subsidiaries. The Group's functional and presentation currency is AUD ($).

DIRECTORS

Mr Marcus L'Estrange (Non-Executive Director)(Previously Chairman until the 12th of January 2018)

Mr Adrian Floate (Executive Director)

Mr Michael Mulvey (Chief Executive Officer & Executive Director (appointed the 12th of July 2017))

Mr Shaun Melville (Non-Executive Director)(resigned on the 4th of December 2017)

Mr Stephen Dale (Non-Executive Director)

Mr Peter Richards (Non-Executive Director, appointed the 13th of December 2017)(Chairman, appointed the 12th of January 2018)

COMPANY SECRETARY

Mr Justyn Stedwell

REGISTERED OFFICE

1B/205-207 Johnston Street
Fitzroy, VIC 3065

PRINCIPAL PLACE OF BUSINESS

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Sydney, NSW 2000

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+61 (2) 9698 5414 (outside Australia)
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BANKERS

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360 Collins Street
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Phone: +61 3 9608 3205
Fax: +61 3 9608 4343

AUDITORS

Nexia Perth Audit Services Pty Ltd
Level 3
88 William Street
Perth WA 6000
Phone: +61 8 9463 2463
Fax: +61 8 9463 2499

SOLICITORS

Pointon Partners
Level 14
565 Bourke Street
Melbourne VIC 3000

STOCK EXCHANGE LISTING

The company is listed on the Australia Securities Exchange Limited

ASX Code – CRO

COMPANY WEBSITE

https://www.cirralto.com.au/

Directors' Report

Your Directors present their report on the consolidated entity consisting of Cirralto Ltd (formerly Motopia Ltd) and the entities it controlled ("Cirralto") for the half year ended 31 December 2017.

DIRECTORS

The names of the company's directors in office at any time during the half-year and until the date of this report are shown below. Directors were in office for this entire period unless otherwise stated.

Mr Marcus L'Estrange (Non-Executive Director)(Previously Chairman until the 12th of January 2018)

Mr Adrian Floate (Executive Director)

Mr Michael Mulvey (Chief Executive Officer & Executive Director (appointed the 12th of July 2017))

Mr Shaun Melville (Non-Executive Director)

Mr Stephen Dale (Non-Executive Director)

Mr Peter Richards (Non-Executive Director, appointed 13th December 2017)(Chairman, appointed the 12th January 2018)

REVIEW AND RESULTS OF OPERATIONS

The consolidated net loss for the half-year after income tax attributable to members of the parent entity amounted to $1,917,214 (2016 loss: $766,758).

Operational Update

The December 2017 quarter has seen the Company further establish its operating footings with the addition of key resources and a continual development and growth of addressable market is realised. Following the successful acquisition and integration of Cirralto with Motopia, it was agreed by vote at the November AGM that Motopia would be renamed to Cirralto.

The quarter brought further growth in our sales activities with our directly addressable sales pipeline growing significantly as the Poolbox, convenience retail, Independent Software Vendor and distributor centric digital commerce strategies enter commercial phases. Revenue for the quarter was slightly below target however expenses were also lower than expected so operationally revenue to expense ratio was 9% better than forecast. The Company remains on track to meet the upgraded revenue target of $4.2 million for FY2018.

In response to strong demand from several Enterprise Retail chains, the Poolbox product went live with the initial deployments providing both valuable in field experience for the implementation team and referenceable customer stories. The team will start 2018 with a set of contracts under negotiation that will secure the company's profitably for years to come.

The Company has the following plans for the coming quarters:

- The Cirralto team will focus on volume based implementation of commercial solutions across the Australian and New Zealand markets.
- Several digital commerce projects will go live in the Enterprise Retail and Food service segments.
- The company will further expand its resources in both Perth and Sydney as commercial endeavours will dictate a need for more support and implementation personnel to service the growing customer base.
- True to forecast, achieve operational profitability in March with a diversified set of in market solutions driving the future success of the company.
- Sign contracts that will deliver recurring revenues that will ensure profitability into the future.
- Make further announcements regarding the company's entry into the terminal and online payments markets.

Directors' Report (continued)

Upgrade to FY2018 Revenue Target

During the December 2017 quarter, the Company confirmed that business is tracking well and provided the following updates:

- Pilot projects are ongoing and the results are pleasing with more National Franchise Groups and Retail Operations joining the pilot phases.
- Contracts have been signed with a number of new customers including national franchise groups and the rollout of eCommerce and modernisation solutions is ongoing.
- The engagement with Telstra continues to deepen with significant engagement over several vertical markets.
- Development of the Sales strategy continues into new Channels with strong engagement into Accounting and Financial Management software providers.
- Due Diligence continues into the development of a separate business unit to take advantage of Merchant acquiring and Payments opportunities.

As a result of these strong engagements and anticipated ramp up of new deals, the board revised the target revenue of $2.5 million for FY2018, to $4.2 million.

Matters subsequent to reporting period

Appointment of chairman

On the 12th of January 2018 it was announced that Mr Marcus L'Estrange has stepped down as Independent Chairman and Mr Peter Richards has been appointed in his place. Mr L'Estrange will remain on the Board as a non-executive director. Mr Richards's appointment as Independent Chairman was effective immediately on the 12th of January 2018.

Share options

On the 25th of January 2018 the Company issued 2,600,000 options as approved by shareholders on 16 November 2017. Each option will entitle the holder to subscribe for one share in the Company and will expire of 25 January 2020. The Options will be exercisable at an exercise price of $0.045 at any time on or before the expiry date. Shares issued upon exercise of Options will rank equally with all other ordinary shares on issue in the Company. The Options were issued in consideration for fees payable.

Capital Raise

On the 23rd of February 2018, the Company has completed a Bookbuild to raise $2,600,000 through a placement of approximately 41,000,000 fully paid ordinary shares to institutional, sophisticated and professional investors. The placement was undertaken at an issue price of $0.063.

No other significant events have occurred since the end of the reporting period.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act* 2001 is set out on page 9.

Signed in accordance with a resolution of the directors.



Adrian Floate
Executive Director
Date: 28th February 2018

Auditor's independence declaration under section 307C of the Corporations Act 2001

To the directors of Cirralto Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half year ended 31 December 2017 there have been:

(i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.



Nexia Perth Audit Services Pty Ltd



TJ Spooner
Director

Perth
28 February 2018

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Notes	31 Dec 2017	31 Dec 2016
		$	$
Revenue		329,665	37,955
Cost of services rendered		(57,819)	-
Other income		663	309,897
Employee expenses		(509,993)	(48,000)
Depreciation , amortisation and impairment		(186,042)	(68,506)
Consulting fees		(438,386)	(732,187)
Legal and other professional fees		(60,622)	(133,551)
Regulatory and listing costs		(59,706)	(26,980)
Occupancy expenses		(99,511)	(8,234)
Other expenses		(152,953)	(91,388)
Finance costs		(56,787)	(5,764)
Share options expense		(666,355)	-
Loss before Income Tax	3	**(1,957,846)**	**(766,758)**
Income tax expense		40,632	-
Loss after income tax expense		(1,917,214)	(766,758)
Loss for the period after income tax attributable to owners of Cirralto Ltd		**(1,917,214)**	**(766,758)**
Other comprehensive loss for the half year, net of tax		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF CIRRALTO LTD		**(1,917,214)**	**(766,758)**
Loss per share for the half-year attributable to the members of Cirralto Ltd			
- Basic (loss) per share (cents per share)		(0.9522)	(1.1664)
- Diluted (loss) per share (cents per share)		(0.9522)	(1.1664)

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

Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2017

	Notes	31 Dec 2017 $	30 Jun 2017 $
ASSETS			
Current assets			
Cash and cash equivalents		253,322	4,048
Trade and other receivables		293,172	19,147
Loans to related parties	11	23,838	-
Other loans		921	-
Other current assets		7,659	6,274
		578,912	29,469
Assets held for sale	5	60,000	60,000
Total current assets		**638,912**	**89,649**
Non-current assets			
Property, plant & equipment		11,215	-
Investments	6	-	-
Intangible assets	7	6,303,859	174,764
Total non-current assets		**6,315,074**	**174,764**
TOTAL ASSETS		**6,953,986**	**264,233**
LIABILITIES			
Current liabilities			
Trade and other payables		318,349	1,225,692
Provisions		179,192	-
Convertible notes	8	-	444,652
Other Loans		-	9,326
Total current liabilities		**497,541**	**1,679,670**
Non-current liabilities			
Deferred tax liabilities		733,491	**-**
Total non-current liabilities		**733,491**	-
TOTAL LIABILITIES		**1,231,032**	**1,679,670**
NET ASSETS/(LIABILITIES)		**5,722,954**	**(1,415,437)**
EQUITY			
Contributed equity	10	53,790,211	45,400,961
Option Reserve	12	666,355	-
Accumulated losses		(48,733,612)	(46,816,398)
TOTAL EQUITY		**5,722,954**	**(1,415,437)**

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

Consolidated Statement of Changes in Equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Contributed Capital	Accumulated Losses	Option Reserve	Total Equity
At 1 July 2017	**45,400,961**	**(46,816,398)**	**-**	**(1,415,437)**
Loss for the period	-	(1,917,214)	-	**(1,917,214)**
Total Comprehensive Loss for the period	-	(1,917,214)	-	(1,917,214)
Transactions with owners in their capacity as owners:				
Issue of Share Capital	8,548,540	-	-	8,548,540
Transaction costs related to share issue	(159,290)	-	-	(159,290)
Options issued	-	-	666,355	666,355
Balance as at 31 December 2017	**53,790,211**	**(48,733,612)**	**666,355**	**5,722,954**
At 1 July 2016	**45,147,042**	**(44,878,333)**	**-**	**268,709**
Loss for the period	-	(766,758)	-	**(766,758)**
Total Comprehensive Loss for the period	-	(766,758)	-	(766,758)
Transactions with owners in their capacity as owners:				
Issue of Share Capital	276,000	-	-	276,000
Transaction costs related to share issue	(22,081)	-	-	(22,081)
Balance as at 31 December 2016	**45,400,961**	**(45,645,091)**	**-**	**(244,130)**

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

Consolidated Statement of Cash Flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	31 Dec 2017 $	31 Dec 2016 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	108,580	34,000
Research & development tax refund	-	309,803
Payments to suppliers and employees	(2,670,250)	(1,123,569)
Interest received	663	94
Bank charges and interest paid	(28,724)	(514)
Net cash used in operating activities	(2,589,731)	(780,186)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash acquired from CBS acquisition	224	-
Acquisition of non-current assets	(12,939)	-
Net cash used in investing activities	(12,715)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans from related parties	(12,505)	106,466
Other loans	(7,310)	103,561
Proceeds from issue of shares	2,871,535	253,919
Proceeds from issue of convertible notes	-	250,000
Net cash provided by financing activities	2,851,720	713,946
Net (decrease)/increase in cash held	249,274	(66,240)
Cash and cash equivalents at beginning of period	4,048	71,744
Cash and cash equivalents at end of period	253,322	5,504

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

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

1. CORPORATE INFORMATION

The financial report of Cirralto Limited (the Company) (formerly Motopia Limited) and its controlled entities for the half-year ended 31 December 2017 was authorised for issue in accordance with a resolution of the directors on 28th February 2018.

Cirralto Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian stock exchange.

The nature of the operations and principal activities of the consolidated entity are described in the directors' report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This general purpose financial report for the half-year ended 31 December 2017 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2017 and considered together with any public announcements made by Cirralto Limited during the half-year ended 31 December 2017 in accordance with the continuous disclosure obligations of the ASX listing rules.

(b) New, raised or Amending Accounting Standard Adopted

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

There are no new and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are material to the consolidated entity.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the consolidated entity's accounting policies and has no effect on the amounts reported for the current or prior periods. The new and revised Standards and Interpretations have not had a material impact and not resulted in changes to the consolidated entity's presentation of, or disclosure in, its half-year financial statements

(c) New Accounting Standards for Application in Future Periods

The consolidated entity has not elected to early adopt any other new standards or amendments that are issued but not yet effective.

(d) Financial position

These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities, the realisation of assets and extinguishment of liabilities in the ordinary course of business.

The Group has reported a net loss for the period of $1,917,214 (2016: $766,758) and a cash outflow from operating activities of $2,589,731 (2016: $780,186).

Subsequent to the end of the period, the Company has completed a placement to sophisticated investors to raise approximately $2.6 million (before the costs of the issue). Based on the above events and a cash flow forecast prepared by management for the next 12 months, the directors are confident that the going concern basis is appropriate.

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017 (CONT…)
NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT…)

(e) Fair value of financial instruments

The consolidated entity has a number of financial instruments which are not measured at fair value in the statement of Financial Position. The carrying amount of the other current receivables and current payables approximates their fair value.

3. LOSS FOR THE PERIOD

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

	Consolidated Group	
	Half-year Ended 31 Dec 2017	**Half-year Ended 31 Dec 2016**
	$	**$**
Interest income	663	94
Research & development tax refund	-	309,803
Total other income	**663**	**309,897**
Amortisation of Intangible assets	184,318	68,506
Depreciation of Property, Plant and Equipment	1,724	-
Total depreciation, amortisation and impairment	**186,042**	**68,506**
Other interest expense	56,787	5,764
Total finance costs	**56,787**	**5,764**

4. BUSINESS COMBINATIONS

On the 7th of September 2017 the company wholly acquired 100% of the issued capital in Cirralto Business Services Pty Ltd ("CBS") via the issue of 132,500,000 shares in the Company at an issue price of $0.038 (being the published share price at acquisition date) each as consideration. The acquisition was fully funded via the issue of shares in the Company to CBS shareholders.

CBS is a technology solutions specialist that provides technology enablement services to customers wishing to fulfil their digital and eCommerce ambitions, allowing them to better compete in the global marketplace, access new, non-traditional markets and acquire new customers. CBS is also the owner and developer of the 'Flashconvert' technology – a data migration platform which allows users to upload legacy data files for conversion to cloud accounting platforms. The acquisition is part of the Company's overall strategy to launch its combined business modernisation technology platform as a service (PaaS) offering to the SMB and SME business segment.

Through acquiring 100% of CBS, the Company has obtained control.

	Fair value
Purchase consideration	**$**
Cash	-
Equity issued – (refer to Note 10)	5,035,000
	5,035,000
Less:	
Cash on hand/bank	224
Receivables	96,955
Fair value of intangible assets acquired	2,814,990
Deferred tax liability on the fair value of intangibles assets acquired	(774,122)
Provisions for employee benefits	(161,154)
Payables	(440,316)
Identifiable assets acquired and liabilities assumed	**1,536,577**
Goodwill	**3,498,423**
Cash acquired from CBS acquisition	224
Cash inflow on acquisition	**224**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017 (CONT…)

4. BUSINESS COMBINATIONS (continued)

Goodwill represents other net assets and intangible assets of the business not explicitly recognised on the balance sheet and includes assembled workforce, technical expertise, distribution channels, customer service capability, product and service support and geographic presence. It will not be deductible for tax purposes.

5. ASSETS HELD FOR SALE

	Consolidated	
	31 Dec 2017	**30 Jun 2017**
	$	**$**
Assets held for sale	60,000	60,000
	60,000	**60,000**

In the 2017 financial year, the Company is finalising a sale agreement to dispose of the IP in Modac Group Pty Ltd ("Modac") to CU2 Global Pty Ltd, an associate of the Company. The Company has decided to dispose of the asset as it does not align with the Company's strategy with the acquisition of Cirralto. The carrying amount of the asset has been impaired to equal the expected sales proceeds of $60,000. The disposal is anticipated to be completed in the next 6 months. No revenue or expenses were incurred in relation to the IP during the half year period.

6. INVESTMENTS

CU2 Global Pty Ltd (CU2G) has the worldwide exclusive rights to market and deliver the technology known as 2SQL and has previously announced Fujitsu have entered a Global partnering agreement with CU2G. CU2G has announced additional partnership arrangements to increase the channels to market, including with Converter Technology Inc. and also the impending release of additional versions to cater for Oracle to Sequel Server; MySQL to Sequel Server; and Microsoft Access to SQL Azure. CU2G provides the technology for businesses looking to simplify their existing data management systems, reduce the costs of operating those systems and enable implementation in a Cloud environment (previously inaccessible).

Cirralto holds 27.3% of CU2G which allows for significant influence over CU2G hence the equity method is used to account for the investment in CU2G. As at 31 December 2017 the directors did not believe sufficient revenue would be derived over the next three years and have impaired this asset.

Investment in CU2G accounted for using the equity method	**31 Dec 2017** **$**	**30 Jun 2017** **$**
Opening balance	174,292	174,292
Less: Provision for impairment	(174,292)	(174,292)
Closing balance	-	-

7. INTANGIBLE ASSETS

	31 Dec 2017 **$**	**30 Jun 2017** **$**
Lemon & Lime platform – at cost	5,500	5,500
Less: Accumulated amortisation	(4,125)	(4,125)
Less: Provision for impairment	(1,375)	(1,375)
	-	-
ConvertU2Online Platform – at cost	292,527	292,527
Less: Accumulated amortisation	(154,329)	(117,763)
	138,198	174,764
Intangible assets on acquisition of CBS – (refer to Note 4)	2,814,990	-
Less: Accumulated amortisation	(147,752)	-
Less: Provision for impairment	-	-
	2,667,238	-

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017 (CONT…)

7. INTANGIBLE ASSETS (CONT…)

	31 Dec 2017 $	30 Jun 2017 $
Goodwill on acquisition of CBS – (refer to Note 4)	3,498,423	-
Less: Provision for impairment	-	-
	3,498,423	-
Total intangibles	**6,303,859**	**174,764**

8. CONVERTIBLE NOTES

		Consolidated	
		31 December 2017 $	30 June 2017 $
Opening balance		444,652	-
Add: Convertible Notes issued		-	425,000
Less: Transaction cost of notes issued		-	(3,000)
Add: Interest accrued		28,063	22,652
Less: Value of notes converted		(472,715)	-
	(a)	**-**	**444,652**

(a) The key terms of the convertible notes constitute:

1. A face value representing a principal amount of $25,000
2. Expires on 30 June 2018
3. Bears interest from the issue date at 12% per annum, capitalising quarterly in arrears, and accruing annually
4. The Company may elect to pay the interest through the issue of ordinary Shares at a 5% discount to the 10 day volume weighted average price (VWAP) prior to date for payment, subject to any required shareholder approvals being obtained
5. Subject to the Company obtaining shareholder approval, each note is fully convertible into ordinary shares
6. Noteholders will receive free attaching options
7. Non-transferable
8. On conversion, shares will be issued to converting loan note holders at a 25% discount to the 10 day VWAP
9. The notes are unsecured. The Noteholders shall rank as an unsecured general creditor of the Company
10. The Company may repay all of the principal amount outstanding and redeem the notes at any time prior to the expiry date

All convertible notes on issue as at 22nd December 2017 were converted into shares on 22nd December 2017 in accordance with the above terms. The total principal amount of the notes ($425,000) was converted into 9,042,558 shares at an issue price of $0.047 per share. The total interest on the notes ($50,715) was converted into 859,580 shares at an issue price of $0.059 per share. Options were also issued for no additional consideration in accordance with the terms of the convertible notes (refer to Note 12).

9. SEGMENT INFORMATION

The consolidated entity's operating segment is based on the internal reports that are reviewed and used by the Board of Directors (being the Chief Operating Decision Maker ('CODM')) in assessing performance and in determining the allocation of resources. The consolidated entity operates predominantly in the IT industry focusing on data migration, and a single geographic segment being Australia.

At regular intervals, the CODM is provided management information at a consolidated level for the entity's cash position, the carrying values of intangible assets and a cash flow forecast for the next twelve months of operation. On this basis, no segment information is included in these financial statements.

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017 (CONT…)

10. CONTRIBUTED EQUITY

	Six months to 31 Dec 2017	
Ordinary Shares	**No. of shares**	**$**
Opening balance	**72,258,638**	**45,400,961**
Issues of ordinary shares during the half-year:		
Rights issue and share placements	86,509,265	3,027,825
Issued to creditors in lieu of settlement	100,000	10,000
Cirralto acquisition – (refer to Note 4)	132,500,000	5,035,000
Share issue via conversion of convertible notes – (refer to Note 8)	9,902,138	475,715
Transaction costs related to share issue	-	(159,290)
Closing Balance	**229,011,403**	**8,389,250**
Total Contributed Equity	**301,270,041**	**53,790,211**

11. RELATED PARTIES

The following entities have been determined to be related party entities:

Entity	Director/Key Management Personnel
CU2 Global Pty Ltd	CU2 Global Pty Ltd ("CU2G") is a related party entity. It is an associate of Cirralto Limited. Mr Stephen Dale is director of both Cirralto Limited and CU2G.
Raptor Global Corporations Ltd	Raptor Global Corporations Ltd ("Raptor") is a related party entity. Mr Marcus L'Estrange and Mr Shaun Melville are both directors of Cirralto Limited and Raptor.
Anthem Software Pty Ltd	Anthem Software Pty Ltd ("Anthem") is a related party entity. Mr Adrian Floate is director of both Cirralto Limited and Anthem.
Appstablishment Pty Ltd	Appstablishment Pty Ltd ("Appstablishment") is a related party entity. Mr Adrian Floate is director of both Cirralto Limited and Appstablishment.
Appstablishment Software Group Pty Ltd	Appstablishment Software Group Pty Ltd ("ASG") is a related party entity. Mr Adrian Floate is director of both Cirralto Limited and ASG.
Floating Assets Trust	Floating Assets Trust is a related party entity in which Mr Adrian Floate has a beneficial interest.
Rare Air Nominees Pty Ltd	Rare Air Nominees Pty Ltd ("Rare Air") is a related party entity. Mr Adrian Floate is director of both Cirralto Limited and Rare Air.

Loans Issued to/from Related Entities

	31 Dec 2017	30 Jun 2017
Related Party Loans	**$**	**$**
Loan Receivable:		
a) Rare Air Nominees Pty Ltd		
Opening Balance	-	-
Add: balance acquired at acquisition – (refer to Note 4)	10,655	-
Add: loans provided/reassigned	23,000	-
Less: loans repaid/reassigned	(9,817)	-
Closing Balance	**23,838**	**-**
Total loan receivable from related parties	**23,838**	**-**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017
NOTE 11 RELATED PARTIES (CONT…)

	31 Dec 2017 $	30 Jun 2017 $
Loan Payable:		
a) Appstablishment Software Group Pty Ltd		
Opening Balance	-	-
Add: balance acquired at acquisition – (refer to Note 4)	14,628	-
Less: loans repaid/reassigned	(14,628)	-
Closing Balance	-	-
Total loan payable from related parties	-	-

Shares Issued to Related Entities

The following shares were issued to related entities in the half year period:

Issue Date	Entity	No. Shares	Issue Price
7 Sep 2017	Raptor Global Corporations Ltd	31,185,976	0.038
7 Sep 2017	Rare Air Nominees Pty Ltd	38,103,949	0.038
Total		69,289,925	

Transactions with related parties

During the half-year period, services have been provided to directors' related entities as follows:

Director	Entity	Nature	Half Year Ended 31 Dec 2017 $	Half Year Ended 31 Dec 2016 $
Mr Marcus L'Estrange	Raptor Global Corporation Ltd	Consulting services & Capital raising fees	120,958	83,236
	Drilling Resource Partners Pty Ltd	Interest on loan provided	-	5,000
Mr Shaun Melville	Raptor Global Corporation Ltd	Consulting services & Capital raising fees	120,958	83,236
Mr Adrian Floate	Anthem Software Pty Ltd	IT services	66,364	54,150
	Appstablishment Pty Ltd	IT services	499,680	450,000
	Floating Assets Trust	Consulting/admin fees	27,500	146,186

Sales to and purchases from related parties are made on an arm's length basis at normal market prices and on normal commercial terms. Outstanding balances at year end are unsecured, interest free and settlement occurs in cash.

All intercompany transactions are eliminated on consolidation.

12. Option Reserve

	31 December 2017		30 June 2017	
	No.	$ AUD	No.	$ AUD
Opening Balance	-	-	-	-
Unlisted options issued during the half year	37,021,274	666,355	-	-
Total Reserves	**37,021,274**	**666,355**		

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017
12. OPTION RESERVE (CONT…)

During the half year ended 31 December 2017 the Company issued the following securities:

Date	Details	No.	Option Fair Value $ AUD	Total Value $ AUD
Unlisted Options				
7 Sep 2017	Issue of unlisted options per the Company's Annual General Meeting resolution 6, as approved by shareholders on 16th of November 2016 to Michael Mulvey	13,500,000	0.0359	102,580
7 Sep 2017	Issue of unlisted options per the Company's Annual General Meeting resolution 7, as approved by shareholders on 16th of November 2016 to Adrian Floate	13,500,000	0.0359	102,580
15 Dec 2017	Issue of unlisted options per the Company's Annual General Meeting resolution 3, as approved by shareholders on 16th of November 2017 to Raptor Global Corporation	5,500,000	0.0453	249,099
22 Dec 2017	Issue of unlisted options relating to conversion of convertible notes in accordance with the terms of the notes	4,521,274	0.0469	212,096
Total		**37,021,274**		**666,355**

13. DIVIDENDS

No dividends have been paid, declared or proposed for the half-year period.

14. CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2017.

15. SIGNIFICANT EVENTS AFTER REPORTING DATE
Appointment of chairman

On the 12th of January 2018 it was announced that Mr Marcus L'Estrange has stepped down as Independent Chairman and Mr Peter Richards has been appointed in his place. Mr L'Estrange will remain on the Board as a non-executive director. Mr Richards's appointment as Independent Chairman was effective immediately on the 12th of January 2018.

Share options

On the 25th of January 2018 the Company issued 2,600,000 options as approved by shareholders on 16 November 2017. Each option will entitle the holder to subscribe for one share in the Company and will expire of 25 January 2020. The Options will be exercisable at an exercise price of $0.045 at any time on or before the expiry date. Shares issued upon exercise of Options will rank equally with all other ordinary shares on issue in the Company. The Options were issued in consideration for fees payable.

Capital Raise

On the 23rd of February 2018, the Company has completed a Bookbuild to raise $2,600,000 through a placement of approximately 41,000,000 fully paid ordinary shares to institutional, sophisticated and professional investors. The placement was undertaken at an issue price of $0.063.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Cirralto Limited made pursuant section 303(5)(a) of the Corporations Act 2001, we state that:

In the opinion of the Directors:

(a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and the performance for the half-year ended on that date of the consolidated entity;

(ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001 and other mandatory professional reporting requirements; 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.

On behalf of the Board



Adrian Floate
Executive Director

Date: 28th February 2018

Independent Auditor's Review Report to the members of Cirralto Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Doray Minerals Limited and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2017, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period ended on that date, notes comprising a summary of accounting policies, other explanatory notes 1 to 15, and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the interim period.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Cirralto Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the period ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

Directors' Responsibility for the Interim Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2017 and its performance for the period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.* We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.



Nexia Perth Audit Services Pty Ltd



TJ Spooner
Director

Perth
28 February 2018