VTX Holdings Limited
ABN 80 096 870 978
Suite 9, 330 Churchill Avenue, Subiaco WA 6008
PO Box 866, Subiaco WA 6904
T +61 8 6489 1600 **F** +61 8 6489 1601
W www.vortexpipes.com

27 February 2015

The Manager
Companies Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

ASX Announcement
Appendix 4D – Half-Year Report
Financial Report for the Half-Year ended 31 December 2014

Please find attached Appendix 4D – Half-Year Report and the Company's Half-Year Financial Report for the period ended 31 December 2014.

The half-year financial report does not include all the notes of the type normally included in an annual financial report and accordingly the financial report should be read in conjunction with the annual financial report for the year ended 30 June 2014.

The financial report for the half year ended 31 December 2014 incorporates a review of operations during the period.

Yours sincerely,



Andrew Haythorpe
Chairman

VTX HOLDINGS LIMITED AND ITS CONTROLLED ENTITY
APPENDIX 4D
for the half-year ended 31 December 2014

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue from Ordinary Activities:	$2,908
Previous Corresponding Period:	$3,578
Percentage Change:	Down 19%
Net Loss Attributed to Members:	$(224,070)
Previous Corresponding Period:	$(341,447)
Percentage Change:	Down 34%
Net Comprehensive Loss Attributed to Members:	$(224,070)
Previous Corresponding Period:	$(341,447)
Percentage Change:	Down 34%

There is no proposal to pay a dividend.

Net Tangible Assets Per Security:	$0.0035*
Previous Corresponding Period:	($0.0017)*

**on a post-consolidation basis*

VTX Holdings Limited

ACN 096 870 978
(Formerly known as Vortex Pipes Limited)

FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

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FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by VTX Holdings Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

CORPORATE DIRECTORY

Directors
Andrew Haythorpe (Chairman, Non-Executive Director)
Harry Karelis (Non-Executive Director)
James Robinson (Non-Executive Director)

Company Secretary
Loren Jones

Registered Office
Suite 9, 330 Churchill Avenue,
Subiaco, WA 6008
Tel: (08) 6489 1600
Fax: (08) 6489 1601
Email: loren@cicerocorporate.com.au

Postal Address
PO Box 866
Subiaco, WA 6904

Principal Place of Business
Suite 9, 330 Churchill Avenue
Subiaco, WA 6008
Tel: (08) 6489 1600
Fax: (08) 6489 1601
Email: admin@vortexpipes.com

Website
www.vortexpipes.com

Auditors
Pitcher Partners Corporate & Audit (WA) Pty Ltd
Level 1, 914 Hay Street
Perth, WA 6000

Share Registry
Security Transfer Registrars Pty Ltd
Alexandra House
Suite 1, 770 Canning Highway
Applecross WA 6153
Tel: (08) 9315 2333
Fax: (08) 9315 2233

Patent Attorney
Wray & Associates
Level 4, 1 William Street
Perth, WA 6000

Banker
National Australia Bank
Level 1, 1238 Hay Street
West Perth, WA 6005

Home Stock Exchange
Australian Securities Exchange Limited
Exchange Plaza
Level 2, The Esplanade
Perth, WA 6000

ASX Code: VTX

The Directors present their report of VTX Holdings Limited ("VTX" or the "Company") and its controlled entity (together referred to as "the Group"), for the half-year ended 31 December 2014 and the auditor's review report thereon. This report has been prepared in accordance with AASB 134 Interim Financial Reporting.

Directors

The Directors of the Company during the half-year and up to the date of this report are:

James Robinson (Non-Executive Director)
Andrew Haythorpe (Chairman, Non-Executive Director; appointed 14 August 2014)
Harry Karelis (Non-Executive Director; appointed 14 August 2014)
Trevor Gosatti (Managing Director; resigned 14 August 2014)
Patrick Corr (Chairman; resigned 14 August 2014)
Brett Matich (Non-Executive Director; resigned 14 August 2014)
Sean McGrath (Non-Executive Director; resigned 14 August 2014)

Results

The loss for the consolidated entity for the half-year was $224,070 (31 December 2013: loss $341,447).

Review of Operations

The ShieldLiner System

On 14 August 2014, the Company announced that it had executed a Letter of Intent ("LOI") with Noor Energy Corporation ("Noor") for Noor to be granted an exclusive option to acquire all of the assets and intellectual property of the ShieldLiner System (the "Acquisition"). The Acquisition will be made by way of a plan of arrangement between the companies and result in the Canadian registered Holding Company ("Holding Company") of the ShieldLiner System becoming listed on the Canadian Securities Exchange ("CSE").

Following the execution of the two year Technology Non-Disclosure Agreement with The Kelley Group in January 2014, the parties continued due diligence investigations into opportunities for ongoing development and deployment of the ShieldLiner System into the US market. Feedback received from various parties interested in the ShieldLiner System led the Company to conclude that a North American listing of the ShieldLiner System is the preferred way in which to attract ongoing development capital.

It is proposed that the ongoing development capital will be used for the building of an updated ShieldLiner System by a US engineering firm, in conjunction with updated patent applications relating to ShieldLiner Generation II. It is envisaged the ShieldLiner Generation II design will be engineered for distribution to potential strategic investors related to the water, oil and gas pipeline rehabilitation sectors in the US and around the world.

The consideration for the Acquisition will be 15 million shares in the Holding Company at a deemed issue price of CAD$0.10 per share or CAD$1,500,000. It is envisaged the 15 million shares will represent approximately 51.7% of the issued capital of the Holding Company, thus providing VTX and its shareholder a highly leveraged ongoing exposure to the development of the ShieldLiner System yet alleviating the Company of the ongoing funding requirements.

The Acquisition is conditional upon the satisfaction of various conditions precedent including but not limited to due diligence by the parties on each other, an initial capital raising by Noor/the Holding Company of not less than CAD$700,000, receipt of all third party and regulatory approvals and the CSE confirming the securities of the Holding Company will be admitted to trading on the CSE.

Shareholder approval for the purposes of Listing Rule 11.2 and 11.4 was sought with respect to the Acquisition. All of these resolutions were passed at the AGM of the Company held on 21 October 2014. Following ongoing discussions with the representatives of Noor, it is expected that completion of the Acquisition will occur in the first half of 2015.

Placement

On 18 August 2014 the Company advised that it had received commitments from various sophisticated investors to subscribe for 785 Million shares at an average subscription price of $0.0005 to raise up to $392,500 before costs of the issue. The shares were issued with a free attaching unlisted option (exercisable at $0.00125, expiring 31 August 2018).

Review of Operations (cont'd)F

Share Consolidation

On 28 October 2014 a consolidation of the Company's capital was undertaken. The consolidation, which was achieved through the conversion of twenty fully paid ordinary shares into one fully paid ordinary share, was approved by an ordinary resolution of shareholders passed at the Company's Annual General Meeting held on 21 October 2014. The consolidation resulted in the various issues of shares referred to within this report having a post consolidation issue price of $0.01 and the options a post consolidation exercise price of $0.025.

Share Purchase Plan (SPP)

Shareholder approved was also sought and obtained at the Company's AGM on 21 October 2014 to undertake a Share Purchase Plan ("SPP") for existing shareholders to subscribe for up to $15,000 worth of shares at an issue price of $0.01 (on a post consolidation basis) along with a one for five free attaching option (exercisable at $0.025, expiring 25 October 2015).

As announced on 7 November 2014, the SPP raised a total of $135,000 through the issue of 13,500,000 shares (with 2,700,000 attaching options) resulting in a shortfall of 86,500,000 (and 17,300,000 attaching options).Furthermore, the Company announced on 17 November 2014 that Cicero Advisory Services Pty Ltd ("Cicero"), a corporate advisory firm and AFS License holder associated with VTX Director James Robinson, was appointed as Manager to the SPP Shortfall Offer. The SPP Shortfall Offer was closed on 5 December 2014 with a total of $851,513 being raised.

Combined with the original take up under the SPP, the Company raised $986,513 before costs of the offer with funds to be used for due diligence associated with the proposed sale of the ShieldLiner System, due diligence associated with new project appraisal and for working capital purposes.

Board Changes

As a result of the proposed listing of the ShieldLiner System on the CSE, Mr Brett Matich and Mr Trevor Gosatti resigned from the Board of VTX to focus on the ShieldLiner System listing. Each of the above, along with Mr James Robinson are proposed to be Board members of the ShieldLiner System Holding Company. Mr Patrick Corr and Mr Sean McGrath also resigned as Directors of VTX. The Company concurrently announced the appointments of Mr Andrew Haythorpe and Mr Harry Karelis as Directors.

Issue of Securities to Board Members

The Company sought and obtained shareholder approval for Mr Haythorpe and Mr Karelis to subscribe for $100,000 worth of shares at $0.01 - 10,000,000 shares on a post consolidation basis (with a free attaching unlisted option exercisable at $0.025, expiring 31 August 2018).

Approvals was also be obtained for the issue of 5,000,000 shares on a post consolidation basis (with a free attaching unlisted option exercisable at $0.025, expiring 31 August 2018) to each of Mr Matich and Mr Robinson in satisfaction of outstanding fees owed to them for the previous financial year.

Change of Company Name

Shareholders approved the change of Company name to VTX Holdings Limited at the Company's AGM held on 21 October 2014. ASIC recorded this change on 21 October 2014. For ASX purposes, the effective date for the company name change was Wednesday, 5 November 2014. The Company's ASX code 'VTX' remained unchanged.

Changes in State of Affairs

There were no significant changes in the state of affairs of the Group other than as referred to elsewhere in this consolidated half-year report and in the accounts and notes attached thereto.

Subsequent Events

In half-year ending December 2013 the Company received a claim from German based supplier that appears to date back to dealings with Premium Pipe Services Pty Ltd, a 100% wholly owned subsidiary of VTX Holdings Ltd, in 2009. Subsequent to the end of the December 2014 period, the Company received further correspondence from the legal representatives of the German based supplier seeking payment of the original amount, interest and costs totalling €35,313.30 (AUD 51,295). In the interests of bringing this issue to a conclusion, the Company has taken steps to settle this claim and expects this to be finalised in the near term.

Auditor's Independence Declaration

A copy of the auditors' independence declaration as required under Section 307C of the *Corporations Act 2001* in relation to the review for the Half Year is set out on page 5 of this report.

This report is presented in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Andrew Haythorpe
Chairman

Perth
27 February 2015

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of VTX Holdings Limited (formerly known as Vortex Pipes Limited) and its controlled entity

In relation to the independent review for the half-year ended 31 December 2014, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*.

(ii) No contraventions of any applicable code of professional conduct.

Pitcher Partners Corporate & Audit (WA) Pty Ltd

PITCHER PARTNERS CORPORATE & AUDIT (WA) PTY LTD

C P Leong

C P LEONG

Executive Director

Perth, 27 February 2015

An Independent Western Australian Company ABN 17 111 032 930
Registered Audit Company Number 342083
Liability limited by a scheme approved under Professional Standards Legislation

an independent member of
BAKER TILLY
INTERNATIONAL

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
VTX HOLDINGS LIMITED (FORMERLY KNOWN AS VORTEX PIPES LIMITED)
AND ITS CONTROLLED ENTITY

We have reviewed the accompanying half-year financial report of VTX Holdings Limited (formerly known as Vortex Pipes Limited) (the "Company") and its controlled entity (together the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Company and the entity it controlled at the period's end or from time to time during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Group are responsible for the preparation of the half-year 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 half-year 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 half-year 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 consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of VTX Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year 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*.

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PITCHER PARTNERS

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
VTX HOLDINGS LIMITED (FORMERLY KNOWN AS VORTEX PIPES LIMITED)
AND ITS CONTROLLED ENTITY

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of VTX Holdings Limited and its controlled entity is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and

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

Pitcher Partners Corporate & Audit (WA) Pty Ltd

PITCHER PARTNERS CORPORATE & AUDIT (WA) PTY LTD

C P Leong

C P LEONG

Executive Director

Perth, 27 February 2015

DIRECTORS' DECLARATION

The Directors of VTX Holdings Limited declare that:

1. the financial statements and accompanying notes, as set out on pages 9 to 15 are in accordance with the *Corporations Act 2001*, and:

   (a) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and other mandatory professional reporting requirements; and

   (b) give a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half-year ended on that date;

2. in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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



Andrew Haythorpe
Chairman

Perth
27 February 2015

VTX HOLDINGS LIMITED AND ITS CONTROLLED ENTITY
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the half-year ended 31 December 2014

	Half-year ended 31 Dec 2014	Half-year ended 31 Dec 2013
	$	$
CONTINUING OPERATIONS		
Interest income	2,908	3,578
Total continuing operations	**2,908**	**3,578**
EXPENSES		
Research and development costs, materials and consultants fees	-	(36,860)
Directors' fees, salaries, superannuation and consulting costs	(80,306)	(127,969)
Depreciation expenses	(2,733)	(4,633)
Public company costs, fees, share registry, shareholder costs	(47,288)	(18,964)
Occupancy costs	(1,246)	(21,937)
Legal fees	(13,315)	(3,414)
Audit fees	(9,946)	(4,174)
Insurances	(5,067)	(6,269)
Other expenses from ordinary activities	(20,077)	(48,805)
Corporate fees	(47,000)	(72,000)
Total expenses	**(226,978)**	**(345,025)**
Loss before income tax	(224,070)	(341,447)
Income tax benefit	-	-
Net loss for the period	**(224,070)**	**(341,447)**
Other comprehensive income	-	-
Total comprehensive loss	**(224,070)**	**(341,447)**
Loss attributable to members of VTX Holdings Limited	**(224,070)**	**(341,447)**
Basic and diluted (cents per share)	(0.001)	(0.002)*
**on a post-consolidation basis*		

The financial statements should be read in conjunction with the accompanying notes.

VTX HOLDINGS LIMITED AND ITS CONTROLLED ENTITY
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2014

	Notes	Half-year ended 31 Dec 2014 $	Full-year ended 30 June 2014 $
ASSETS			
Current Assets			
Cash and cash equivalents		1,217,882	27,479
Trade and other receivables		22,944	11,277
Total Current Assets		**1,240,826**	**38,756**
Non-Current Assets			
Plant and equipment	3	21,400	24,133
Total Non-Current Assets		21,400	24,133
TOTAL ASSETS		**1,262,226**	**62,889**
LIABILITIES			
Current Liabilities			
Trade and other payables		113,872	294,887
Total Liabilities		113,872	294,887
NET ASSETS/(LIABILITIES)		**1,148,354**	**(231,998)**
EQUITY			
Issued capital	4	11,415,813	9,811,391
Option reserve	4	657,097	657,097
Accumulated losses		(10,924,556)	(10,700,486)
TOTAL EQUITY		**1,148,354**	**(231,998)**

The financial statements should be read in conjunction with the accompanying notes.

VTX HOLDINGS LIMITED AND ITS CONTROLLED ENTITY
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half-year ended 31 December 2014

	Share Capital	Option Premium Reserve	Accumulated Losses	Total
	$	$	$	$
Balance at 1 July 2013	9,811,391	563,097	(9,859,546)	514,942
Comprehensive expense for the period				
Loss for the period	-	-	(341,447)	(341,447)
Total comprehensive loss for the period	**-**	**-**	**(341,447)**	**(341,447)**
Transactions with owners in their capacity as owners				
Options issued	-	100,000	-	100,000
Option issue costs	-	(6,000)	-	(6,000)
Balance at 31 December 2013	**9,811,391**	**657,097**	**(10,200,993)**	**267,495**
Balance at 1 July 2014	9,811,391	657,097	(10,700,486)	(231,998)
Comprehensive expense for the period				
Loss for the period	-	-	(224,070)	(224,070)
Total comprehensive loss for the period	**-**	**-**	**(224,070)**	**(224,070)**
Transactions with owners in their capacity as owners				
Shares issued	1,679,013	-	-	1,679,013
Share issue costs	(74,591)	-	-	(74,591)
Balance at 31 December 2014	**11,415,813**	**657,097**	**(10,924,556)**	**1,148,354**

The financial statements should be read in conjunction with the accompanying notes.

VTX HOLDINGS LIMITED AND ITS CONTROLLED ENTITY
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the half-year ended 31 December 2014

	Half-year ended 31 Dec 2014	Half-year ended 31 Dec 2013
	$	$
Cash Flows from Operating Activities		
Payments to suppliers and employees	(416,927)	(440,533)
Interest received	2,908	3,578
Net cash used in operating activities	**(414,019)**	**(436,956)**
Cash Flows from Financing Activities		
Proceeds from issues of shares	1,679,013	100,000
Payment for share issue costs	(74,591)	(6,000)
Net cash provided by financing activities	**1,604,422**	**94,000**
Net Increase/ (Decrease) In Cash Held	1,190,403	(342,956)
Cash at the beginning of the period	27,479	522,446
Cash at the end of the period	**1,217,882**	**179,490**

The financial statements should be read in conjunction with the accompanying notes.

1. Reporting Entity

VTX Holdings Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial report as at and for the six months ended 31 December 2014 covers the consolidated group of VTX Holdings Limited and its controlled entity (together referred to as the "consolidated entity" or "Group").

2. Basis of preparation of half-year report

a) Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Standards IAS 34 *Interim Financial Reporting*. The consolidated interim financial report has been prepared on the accruals basis and on an historical cost basis.

This interim financial report does not include all the notes of the type normally included in an 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 statements. Accordingly, this financial report is to be read in conjunction with the annual financial statements for the year ended 30 June 2014 and any public announcements made by VTX Holdings Limited (formerly known as Vortex Pipes Limited) during the interim reporting period in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX listing rules.

The same accounting policies and methods of computation have generally been applied in these half-year financial statements as compared with the most recent annual financial statements.

b) Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2014.

c) Accounting standards issued but not yet effective

The AASB has issued new standards, amendments and interpretations to existing standards which have been published but are not yet effective, and have not yet been adopted early by the Group. The new standards, amendments and interpretations that may be relevant to the Group's financial statements are provided below.

Standard / Interpretation	Effective for annual reporting periods beginning on or after
AASB 9 *Financial Instruments* and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*	1 January 2017
AASB 15 Revenue from contracts with customers AASB 15 *Revenue from Contracts with Customers*	1 January 2017

d) Going concern

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

The Group has incurred a net loss after tax for the half-year ended 31 December 2014 of $224,070 (31 December 2013: loss of $341,447), and a net cash outflow from operations of $414,019 (31 December 2013: outflow of $436,956). At 31 December 2014, the Group has net current assets of $1,126,954 (30 June 2014: $256,131 net current liabilities) and net equity of $1,148,354 (30 June 2014: $231,998 net deficiency).

d) Going concern (cont'd)

The Directors have reviewed the business outlook and cash flow forecasts and are of the opinion that the use of the going concern basis of accounting is appropriate as the Directors believe the Group will be able to pay its debts as and when they fall due.

The financial statements are normally prepared on the assumption that the Group is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the Group has neither the intention nor the need to liquidate or curtail materially the scale of its operations; if such an intention or need exists, the financial statements may have to be prepared on a different basis and, if so, the basis used is disclosed.

3. Plant and equipment

	31 Dec 2014	30 June 2014
	$	$
Carrying amount at beginning of the period	**24,133**	44,770
Disposals	-	(11,779)
Depreciation expenses	(2,733)	(8,858)
Carrying amount at reporting date	**21,400**	**24,133**

4. Issued Capital and Reserves

	31 Dec 2014		30 June 2014	
	No.	$	No.	$
Capital – Ordinary Shares (VTX)				
Movement in number of shares				
Opening balance	3,141,972,236	9,811,391	3,141,972,236	9,811,391
Shares issued	1,385,000,000	692,500	-	-
Consolidation on 1:20 basis	(4,300,623,565)	-	-	-
Shares issued	98,651,329	986,513	-	-
Transaction costs arising from issue of shares	-	(74,591)	-	-
Closing balance	**325,000,000**	**11,415,813**	**3,141,972,236**	**9,811,391**
Reserves – Quoted Options (VTXO)				
Movement in number of options				
Opening balance	**3,125,000,000**	**657,097**	1,500,000,000	563,097
Quoted Options Issued	-	-	1,625,000,000	100,000
Consolidation on 1:20 basis	(2,968,750,000)	-	-	-
Quoted Options Issued	19,730,266	-	-	-
Transaction costs arising from issue of options	-	-	-	(6,000)
Closing balance	**175,980,266**	**657,097**	**3,125,000,000**	**657,097**
Reserves – Unquoted Options (VTXAL)				
Movement in number of options				
Opening balance	-	-	-	-
Options issued	1,385,000,000	-	-	-
Consolidation on 1:20 basis	(1,315,750,000)	-	-	-
Transaction costs arising from issue of options	-	-	-	-
Closing balance	**69,250,000**	**-**	**-**	**-**

5. Events occurring after reporting date

Aside from the matter disclosed in Note 6, there has not been any other completed matter or circumstances occurring subsequent to 31 December 2014 that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

6. Contingent liabilities

In half-year ending December 2013 the Company received a claim from German based supplier for an amount of €22,161.73 (AUD 32,191). The claim appears to date back to dealings with Premium Pipe Services Pty Ltd, a 100% wholly owned subsidiary of VTX Holdings Ltd, in 2009. Subsequent to the end of the period, the Company received further correspondence from the legal representatives of the German based supplier seeking payment of the original amount, interest and costs totalling €35,313.30 (AUD 51,295). In the interests of bringing this issue to a conclusion, the Company has taken steps to settle this claim and expects this to be finalised in the near term.

7. Segment reporting

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group operates primarily in the development of the ShieldLiner System technology. The financial information presented in the consolidated statement of comprehensive income and consolidated statement of financial position is the same as that presented to the chief operating decision maker.

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker is in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

8. Related party transactions

During the period ended 31 December 2014 the following related party transactions were undertaken between the Group and director related entities:

- Under a revised engagement letter dated 18 August 2014, Cicero Corporate Services Pty Ltd, a company related to Mr Robinson, a current director of VTX Holdings Limited, agreed to provide services inclusive but not limited to financial reporting, company secretarial services, rent and office administration to the Group for a monthly fee of $7,000 (31 December 2013: $12,000). Amounts of $47,000 (31 December 2013: $72,000) excl GST were billed based on normal market rates for such services and were due and payable under normal payment terms.
- On 13 November 2014, the Company signed a Mandate with Cicero Advisory Services Pty Ltd (CAS), a company related to Mr Robinson, a current director of VTX Holdings Limited, to act as Manager to the Shortfall Offer in relation to the placement of Share Purchase Plan shortfall. As per the terms of the Mandate, the Company paid CAS a management fee of $10,000 and a distribution fee equal to 6% of the total funds raised. Amounts of $61,090.80 excl GST were billed based on normal market rates for such services and were due and payable under normal payment terms.