

iSignthis Ltd
Appendix 4D
Half-year report

1. Company details

Name of entity: iSignthis Ltd
ABN: 93 075 419 715
Reporting period: For the half-year ended 31 December 2015
Previous period: For the half-year ended 31 December 2014

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	7632.8% to	58,537
Loss from ordinary activities after tax attributable to the owners of iSignthis Ltd	up	1544.5% to	(6,765,793)
Loss for the half-year attributable to the owners of iSignthis Ltd	up	1544.5% to	(6,765,793)

Dividends

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

Comments

The loss for the consolidated entity after providing for income tax amounted to \$6,765,793 (31 December 2014: \$411,429).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.77</u>	<u>0.38</u>

4. Control gained over entities

Name of entities (or group of entities) Not Applicable

Date control gained

	\$
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities before income tax during the period (where material)	-
Profit/(loss) from ordinary activities before income tax of the controlled entity (or group of entities) for the whole of the previous period (where material)	-

5. Loss of control over entities

Name of entities (or group of entities) Not Applicable

Date control lost Not Applicable

\$

Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities before income tax during the period (where material) -

Profit/(loss) from ordinary activities before income tax of the controlled entity (or group of entities) whilst controlled during the whole of the previous period (where material) -

6. Dividends

Current period

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

Previous period

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

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of iSignthis Ltd for the half-year ended 31 December 2015 is attached.

12. Signed

Signed



Date: 26 February 2016

iSignthis Ltd

(Formerly known as Otis Energy Limited)

ABN 93 075 419 715

Interim Report - 31 December 2015

iSignthis Ltd
Contents
31 December 2015

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iSignthis Ltd
Corporate directory
31 December 2015

Directors	Timothy Hart (Non-Executive Chairman) Nickolas John Karantzis (Managing Director) Barnaby Egerton-Warburton (Non-Executive Director) Scott Minehane (Non-Executive Director)
Company secretary & CFO	Todd Richards
Registered office	456 Victoria Parade East Melbourne, VIC, 3002
Share register	Link Market Services Level 12, 680 George Street Sydney, NSW, 2000
Auditor	Grant Thornton Audit Pty Ltd The Rialto, Level 30 525 Collins Street Melbourne, 3000 VIC
Stock exchange listing	iSignthis Limited shares are listed on the Australian Securities Exchange (ASX code: ISX)
Website	www.isignthis.com

iSignthis Ltd
Directors' report
31 December 2015

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of iSignthis Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2015.

Directors

The following persons were Directors of iSignthis Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Tim Hart (Non-Executive Chairman)
Mr Nickolas John Karantzis (Managing Director)
Mr Scott Minehane (Non-Executive Director)
Mr Barnaby Egerton-Warburton (Non-Executive Director)

Principal activities

iSignthis Ltd is an Australian based business with Patented technology used to significantly enhance online payment security and to electronically verify identities by way of a dynamic, digital and automated system. The system assists obligated entities under Anti Money Laundering ("AML") and Counter Terrorism Funding ("CTF") legislation to meet their compliance requirements and to ensure rapid and convenient on boarding of their customers. iSignthis also assists online merchants with mitigating Card Not Present fraud and providing CNP liability shift, within the framework of the card scheme rules and applicable regulatory regimes. The consolidated entity has been granted USA, European, South African, Singaporean and Australian patents and has patents pending in several other key jurisdictions including China, Hong Kong, South Korea, Canada, Brazil and India.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$6,765,793 (31 December 2014: \$411,429).

Financial Position

The net assets of the consolidated entity increased by \$8,793,040 to \$12,265,535 as at 31 December 2015 (30 June 2015: \$3,472,495).

The consolidated entity's working capital, being current assets less current liabilities was \$10,964,684 at 31 December 2015 (30 June 2015: \$2,179,486). During the period the consolidated entity had a negative cash flow from operating activities of \$1,774,078 (31 December 2014: \$245,152).

As a result of the above the Directors believe the consolidated entity is in a strong and stable position to expand and grow its current operations.

Significant changes in the state of affairs

On 2 November 2015 the consolidated entity issued 20,000,000 fully paid ordinary shares upon the exercise of unlisted options at an exercise price of \$0.04 (4 cents) per option raising a total of \$800,000 (these shares are to be held in escrow until 17 March 2017).

Also on the 2 November 2015 the consolidated entity issued 18,000,000 unlisted options in three difference tranches of 6,000,000 unlisted options each.

On 9 November 2015 the consolidated entity completed a placement of 26,125,000 fully paid ordinary shares to institutional investors at \$0.40 (40 cents) per share raising a total of \$10,450,000 before costs.

During the period the consolidated entity issued 750,000 fully paid ordinary upon the exercise options at \$0.05 (5 cents) per option raising a total of \$37,500.

There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

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 the page 5.

iSignthis Ltd
Directors' report
31 December 2015

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Nickolas J. Karantzis', is written over a horizontal line.

Nickolas John Karantzis
Managing Director

26 February 2016

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

**Auditor's Independence Declaration
To The Directors of iSignthis Ltd**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of iSignthis Ltd for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B. L. Taylor
Partner - Audit & Assurance

Melbourne, 26 February 2016

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iSignthis Ltd
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2015

		Consolidated	
	Note	31 December 2015	31 December 2014
		\$	\$
Revenue	4	58,537	757
Expenses			
Corporate expenses		(392,382)	(242,970)
Advertising & marketing		(57,688)	(15,856)
Employee benefits expense		(865,359)	(86,815)
Research & development expenses		(203,083)	-
Depreciation expense		(10,382)	(99)
Other expenses		(368,635)	(62,484)
Operating costs		(78,979)	(3,756)
Share based payments	5	(4,834,907)	-
Net realised foreign exchange loss		(12,915)	(206)
Loss before income tax expense		(6,765,793)	(411,429)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of iSignthis Ltd		(6,765,793)	(411,429)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(7,892)	(487)
Other comprehensive income for the half-year, net of tax		(7,892)	(487)
Total comprehensive income for the half-year attributable to the owners of iSignthis Ltd		<u>(6,773,685)</u>	<u>(411,916)</u>
		Cents	Cents
Basic earnings per share	8	(1.15)	(0.13)
Diluted earnings per share	8	(1.15)	(0.13)

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

iSignthis Ltd
Statement of financial position
As at 31 December 2015

	Consolidated	
	31 December	30 June 2015
Note	2015	2015
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	11,181,291	2,267,022
Trade and other receivables	111,469	32,828
Other	57,508	76,479
Total current assets	<u>11,350,268</u>	<u>2,376,329</u>
Non-current assets		
Property, plant and equipment	49,941	37,660
Intangibles	1,259,000	1,259,000
Total non-current assets	<u>1,308,941</u>	<u>1,296,660</u>
Total assets	<u>12,659,209</u>	<u>3,672,989</u>
Liabilities		
Current liabilities		
Trade and other payables	321,487	169,291
Employee benefits	64,097	27,552
Total current liabilities	<u>385,584</u>	<u>196,843</u>
Non-current liabilities		
Employee benefits	8,090	3,651
Total non-current liabilities	<u>8,090</u>	<u>3,651</u>
Total liabilities	<u>393,674</u>	<u>200,494</u>
Net assets	<u>12,265,535</u>	<u>3,472,495</u>
Equity		
Issued capital	6 22,734,417	8,916,522
Reserves	6,354,936	4,595,398
Accumulated losses	(16,823,818)	(10,039,425)
Total equity	<u>12,265,535</u>	<u>3,472,495</u>

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

iSignthis Ltd
Statement of changes in equity
For the half-year ended 31 December 2015

Consolidated	Issued capital \$	Share based payments reserve \$	Accumulated losses \$	Foreign currency reserve \$	Total equity \$
Balance at 1 July 2014	1,259,000	-	-	-	1,259,000
Loss after income tax expense for the half-year	-	-	(411,429)	-	(411,429)
Other comprehensive income for the half-year, net of tax	-	-	-	(487)	(487)
Total comprehensive income for the half-year	-	-	(411,429)	(487)	(411,916)
Balance at 31 December 2014	<u>1,259,000</u>	<u>-</u>	<u>(411,429)</u>	<u>(487)</u>	<u>847,084</u>
	Issued capital \$	Share based payments reserve \$	Accumulated losses \$	Foreign currency reserve \$	Total equity \$
Consolidated					
Balance at 1 July 2015 (Restated)	8,916,522	4,601,216	(10,039,425)	(5,818)	3,472,495
Loss after income tax expense for the half-year	-	-	(6,765,793)	-	(6,765,793)
Other comprehensive income for the half-year, net of tax	-	-	-	(7,892)	(7,892)
Total comprehensive income for the half-year	-	-	(6,765,793)	(7,892)	(6,773,685)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 6)	11,287,500	-	-	-	11,287,500
Share-based payments (note 9)	-	4,834,907	-	-	4,834,907
Transfer from share based payments reserve upon the exercise of options	3,086,077	(3,067,477)	(18,600)	-	-
Capital raising costs	(555,682)	-	-	-	(555,682)
Balance at 31 December 2015	<u>22,734,417</u>	<u>6,368,646</u>	<u>(16,823,818)</u>	<u>(13,710)</u>	<u>12,265,535</u>

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

iSignthis Ltd
Statement of cash flows
For the half-year ended 31 December 2015

	Consolidated	
	31 December	31 December
Note	2015	2014
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(1,798,282)	(245,909)
Interest received	24,204	757
	<u>(1,774,078)</u>	<u>(245,152)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(22,662)	(1,485)
	<u>(22,662)</u>	<u>(1,485)</u>
Cash flows from financing activities		
Proceeds from issue of shares	6 11,287,500	-
Capital raising costs	(555,682)	-
Proceeds from borrowings	-	300,000
	<u>10,731,818</u>	<u>300,000</u>
Net cash from financing activities		
Net increase in cash and cash equivalents	8,935,078	53,363
Cash and cash equivalents at the beginning of the financial half-year	2,267,022	-
Effects of exchange rate changes on cash and cash equivalents	(20,809)	(693)
	<u>11,181,291</u>	<u>52,670</u>
Cash and cash equivalents at the end of the financial half-year		

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

iSignthis Ltd
Notes to the financial statements
31 December 2015

Note 1. General information

The financial statements cover iSignthis Ltd as a consolidated entity consisting of iSignthis Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is iSignthis Ltd's functional and presentation currency.

iSignthis Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

456 Victoria Parade
East Melbourne
Victoria, 3002

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 February 2016. The Directors do not have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2015 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into one operating segment which consists of online payment security, internet identity, e-mandates and e-contract validation services, to safeguard eCommerce operators, and assist Anti Money Laundering ("AML") and Counter Terrorism Funding ("CTF"). This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM') in assessing performance and in determining the allocation of resources.

Note 4. Revenue

	Consolidated	
	31 December 2015	31 December 2014
	\$	\$
Interest	<u>58,537</u>	<u>757</u>

iSignthis Ltd
Notes to the financial statements
31 December 2015

Note 5. Expenses

Consolidated
31 December 2015 **31 December 2014**
\$ **\$**

Loss before income tax includes the following specific expenses:

Share-based payments expense	4,834,907	-
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On 2 November 2015 the consolidated entity issued 18,000,000 unlisted options in three separate tranches to advisors of the entity in consideration for corporate advisory services performed (see Share based payments note for further details).

Note 6. Equity - issued capital

	Consolidated			
	31 December 2015	30 June 2015	31 December 2015	30 June 2015
	Shares	Shares	\$	\$
Ordinary shares - fully paid	621,868,971	574,993,971	22,734,417	8,916,522

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2015	574,993,971		8,916,522
Option issue	02 November 2015	20,000,000	\$0.04	800,000
Placement	09 November 2015	26,125,000	\$0.40	10,450,000
Option Issue	11 November 2015	500,000	\$0.05	25,000
Option Issue	19 November 2015	250,000	\$0.05	12,500
Transfer from share based payments reserve on conversion of options		-		3,086,077
Capital Raising Cost		-		(555,682)
Balance	31 December 2015	621,868,971		22,734,417

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

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

Share buy-back

There is no current on-market share buy-back.

Note 7. Events after the reporting period

No matter or circumstance has arisen since 31 December 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

iSignthis Ltd
Notes to the financial statements
31 December 2015

Note 8. Earnings per share

In accordance with the principles of reverse acquisition accounting, the weighted average number of ordinary shares outstanding during the period ended 31 December 2014 has been calculated as the weighted average number of ordinary shares of provider iSignthis B.V. and ISX IP Ltd (together known as "iSignthis") outstanding during the period before acquisition multiplied by the exchange ratio established in the acquisition accounting, and the actual number of ordinary shares of iSignthis Ltd (formerly Otis Energy Limited) outstanding during the period after acquisition.

	Consolidated	
	31 December 2015	31 December 2014
	\$	\$
Loss after income tax attributable to the owners of iSignthis Ltd	<u>(6,765,793)</u>	<u>(411,429)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>588,983,101</u>	<u>311,703,933</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>588,983,101</u>	<u>311,703,933</u>
	Cents	Cents
Basic earnings per share	(1.15)	(0.13)
Diluted earnings per share	(1.15)	(0.13)

Note 9. Share-based payments

Set out below are summaries of options granted under the plan:

31 December
2015

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
07/05/2015	13/05/2017	\$0.040	30,000,000	-	(20,000,000)	-	10,000,000
02/11/2015	31/07/2017	\$0.380	-	6,000,000	-	-	6,000,000
02/11/2015	30/09/2018	\$0.500	-	6,000,000	-	-	6,000,000
02/11/2015	30/09/2018	\$0.620	-	6,000,000	-	-	6,000,000
			30,000,000	18,000,000	(20,000,000)	-	28,000,000

* On 7 November 2015 at the company's general meeting shareholders approved to grant 18,000,000 Advisor Options to the Advisors (and/or nominees) in recognition of ongoing corporate advisory services provided to the Company by the Advisors. The options have an exercise price of \$0.38 (38 cents), \$0.50 (50 cents) and \$0.62 (62 cents) per option, respectively.

Set out below are the options exercisable at the end of the financial half-year:

Grant date	Expiry date	31 December 2015 Number	31 December 2014 Number
07/05/2015	13/05/2017	10,000,000	-
02/11/2015	31/07/2017	6,000,000	-
02/11/2015	30/09/2018	6,000,000	-
02/11/2015	30/09/2018	6,000,000	-
		28,000,000	-

iSignthis Ltd
Notes to the financial statements
31 December 2015

Note 9. Share-based payments (continued)

For the options granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
02/11/2015	31/07/2017	\$0.455	\$0.380	105.36%	-	1.76%	\$0.257
02/11/2015	30/09/2018	\$0.455	\$0.500	105.36%	-	1.83%	\$0.284
02/11/2015	30/09/2018	\$0.455	\$0.620	105.36%	-	1.83%	\$0.265

As part of the part consideration for the acquisition of 100% of issued capital of iSignthis B.V. and ISX IP Ltd (together known as "iSignthis") in March 2015 the vendor also issued 336,666,667 performance shares (on a post consolidation basis) based on achievement of the following milestones within three (3) of completing the transaction:

(i) 112,222,222 Class A Performance Shares – on achievement of annual revenue of at least \$5,000,000. Annual revenue will be calculated on annualised basis over a 6 month reporting period. Class A Performance Shares will expire if unconverted within three (3) years of completing the transaction;

(ii) 112,222,222 Class B Performance Shares – on achievement of annual revenue of at least \$7,500,000. Annual revenue will be calculated on annualised basis over a 6 month reporting period. Class B Performance Shares will expire if unconverted within three (3) years of completing the transaction; and

(iii) 112,222,223 Class C Performance Shares – on achievement of annual revenue of at least \$10,000,000. Annual revenue will be calculated on annualised basis over a 6 month reporting period. Class C Performance Shares will expire if unconverted within three (3) years of completing the transaction.

As at the date of the this report, none of the milestones have been met in relation to the Performance Shares and none of the Performance Shares were issued or cancelled.

Note 10. Restatement of comparatives

In March 2015, iSignthis Ltd (formerly Otis Energy Limited) ("ISX") completed the acquisition of identity and authentication service provider iSignthis B.V. and ISX IP Ltd (together known as "iSignthis") ("Acquisition"). The Acquisition was accounted for using the principles for reverse acquisitions in AASB 3 Business Combinations on the basis that the former shareholders of 'iSignthis' (the legal subsidiary) obtained accounting control of ISX (the legal parent).

For the 30 June 2015 financial statements consideration was determined as being the fair value of the ISX existing fully paid ordinary shares along with the fair value of 336,666,667 unlisted performance shares (that meet the definition of equity) issued to the previous owners of iSignthis.

However under AASB 3 Business Combinations all equity securities, being both the ordinary and performance shares, issued to the previous owners of iSignthis, should have been ignored on the basis that they do not represent the consideration transferred by the accounting acquirer to the accounting acquiree.

Accordingly the previous value of \$10,100,000, being the deemed value of the unlisted performance shares that formed part of the listing expense on acquisition are to be restated as a \$nil value.

The impact of the restatement on prior period financial statement lines depicted in this half-year financial report is as follows:

Statement of Financial Position as at 30 June 2015 (Extract):	Previous Amount \$	Adjustment \$	Restated Amount \$
Net assets	3,472,495	-	3,472,495
Reserves	14,695,398	(10,100,000)	4,595,398
Accumulated losses	(20,139,425)	10,100,000	(10,039,425)
Total equity	3,472,495	-	3,472,495

The change did not have an impact on the consolidated other comprehensive income and the operating, investing and financing cash flows for the period ended 31 December 2014.

iSignthis Ltd
Directors' declaration
31 December 2015

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Nickolas John Karantzis
Managing Director

26 February 2016

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Review Report To the Members of iSignthis Ltd

We have reviewed the accompanying half-year financial report of iSignthis Ltd (“Company”), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the Directors’ declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year’s end or from time to time during the half-year.

Directors’ responsibility for the half-year financial report

The Directors of iSignthis Ltd 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 controls 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 consolidated half-year financial report based on our review. We conducted our review in accordance with the 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 half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the iSignthis Ltd consolidated entity’s financial position as at 31 December 2015 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 iSignthis Ltd, 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 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 complied with the independence requirements of the Corporations Act 2001.

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 iSignthis Ltd 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 2015 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.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B. L. Taylor
Partner - Audit & Assurance

Melbourne, 26 February 2016