

APPENDIX 4D

Consolidated Interim Report for the period ending 31 December 2015

1. Name of entity

Flexiroam Limited and its Controlled Entities (formerly Island Metals Limited)

ABN	Reporting Period	Previous Corresponding Period
27 143 777 397	Half-year ended 31 December 2015	Half-year ended 31 December 2014

2. Results for Announcement to the Market

Financial Results			31 Dec 2015 AUD	31 Dec 2014 AUD
Revenues from ordinary activities (<i>item 2.1</i>)	UP	175%	5,978,323	2,175,204
(Loss)/profit from ordinary activities after tax attributable to members (<i>item 2.2</i>)	DOWN	683%	(1,335,765)	229,031
Net (loss)/profit for the period attributable to members (<i>item 2.3</i>)	DOWN	683%	(1,335,765)	229,031
Final and interim dividends (<i>item 2.4</i>)	It is not proposed that either a final or interim dividend be paid .			
Record date for determining entitlements to the dividend (<i>item 2.5</i>)	N/A			
Brief explanation of any of the figures reported above (<i>item 2.6</i>):	The Group made a loss during the half-year due to the aggressive marketing, promotional and customer acquisition activities both domestically and internationally. There was also amortisation expensed on the Group's intellectual property.			

3. NTA Backing

	Current Period	Previous Corresponding Period
Net tangible assets per ordinary share (<i>Item 3</i>)	4.1 cents	4.8 cents

4. Control gained over entities

Details of entities over which control has been gained or lost (<i>item 4</i>)	N/A
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5. Dividends paid and payable

Details of dividends or distribution payments (<i>item 5</i>)	No dividends or distributions are payable.
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6. Dividend reinvestment plans

Details of dividend or distribution reinvestment plans (<i>item 6</i>)	There is no dividend reinvestment program in operation.
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7. Details of associates

Details of associates and joint venture entities (<i>item 7</i>)	N/A
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8. Foreign entities

Foreign entities to disclose which accounting standards are used in compiling the report (<i>item 8</i>)	N/A
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9. Review Opinion

Details of any audit dispute or qualification (<i>item 9</i>)
There are no audit disputes or qualifications to the review opinion.

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**Flexiroam Limited and its controlled entities
ACN 143 777 397**

**Consolidated Interim Financial Report
for the half-year ended 31 December 2015**

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Corporate information

Directors

Jefrey Ong (Executive Director and CEO)
Dato' Larry Gan (Non-Executive Director)
Dr Joe Wong (Alternate Director)
Adam Sierakowski (Non-Executive Chairman)
Stephen Hewitt-Dutton (Non-Executive Director)
Iik Kho (Gerard Kho) (Non-Executive Director)

Company Secretary

Deborah Ho (appointed 18 March 2015)

Registered and Principal Office

Flexiroam Limited
Level 24, 44 St Georges Terrace
PERTH WA 6000

Auditors

HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

Bankers

National Australia Bank
100 St Georges Terrace
PERTH WA 6000

Solicitors

Price Sierakowski Corporate
Level 24, 44 St Georges Terrace
PERTH WA 6000

Contact Information

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Directors' report

The directors of Flexiroam Limited ("the Company" or "Flexiroam") and its controlled entities ("the Group") submit herewith the consolidated interim financial statements of the Group for the half-year ended 31 December 2015.

Directors

The Directors of the Company during or since the end of the half-year are:

- Jeffrey Ong
- Dato' Larry Gan (appointed on 18 November 2015)
- Dr Joe Wong (appointed 18 November 2015, as alternate director for Dato' Larry Gan)
- Adam Sierakowski
- Stephen Hewitt-Dutton
- Iik Kho (Gerard Kho) (appointed 18 March 2015, resigned on 18 November 2015)

Company Secretary

- Deborah Ho

Principal Activities

The Group is involved in telecommunications.

Review of Operations

In March 2015, Flexiroam Limited completed the acquisition of Flexiroam Sdn. Bhd. For accounting purposes, Flexiroam Sdn. Bhd. has been identified as the accounting acquirer of the group. The accompanying consolidated interim financial statements represent a continuation of Flexiroam Sdn. Bhd.'s financial statements. The results for the half-year ended 31 December 2015 represent the performance of Flexiroam Sdn. Bhd. and the performance of Flexiroam Limited. The comparative period results reflect the performance of Flexiroam Sdn. Bhd. only.

The loss after tax of the Group for the half-year ended 31 December 2015 was \$1,335,765. This is attributable to the following:

- **Increase in Sales**
 - o Total sales increased by 175% for the half-year ended 31 December 2015 compared to the previous corresponding period. This was attributed to strong performance of business to business transactions.
 - o Consumer sales decreased by 57% for the half-year ended 31 December 2015 compared to the previous corresponding period.
 - o Corporate sales increased by 259% for the half-year ended 31 December 2015 compared to the previous corresponding period.
 - o Corporate sales accounted for 96% of total sales for the half-year ended 31 December 2015 compared to 73% in the previous corresponding period.
- **Increase in Cost of Sales**
 - o Increase in the costs of sales was attributed to the aggressive customer acquisition activities, resulting in an accumulated subscriber base of 731,504 as at 31 December 2015.
- **Decrease in Profits**
 - o The Group made a loss during the half-year due to the aggressive marketing, promotional and customer acquisition activities both domestically and internationally. There was also amortisation expensed on the Group's intellectual property.
- **Increase in administration and operating expense**
 - o The increase in administration and operating expense was due primarily to the increase in marketing and promotion expenses, as well as substantial increase in personnel expenses. The total workforce stood at 51 at 31 December 2015 versus 25 at 31 December 2014.

Review of Operations (continued)

Flexiroam is a leading prepaid international mobile roaming service provider focused on allowing consumer to stay connected to their home country using their existing number while traveling overseas. Through its innovative wholly-owned technologies, Flexiroam offers international outbound travellers worldwide unlimited flat-rate voice and data roaming services in over 217 countries and territories. As at 31 December 2015, Flexiroam has 731,504 subscribers and over 100 travel agency partners including major airlines such as AirAsia X.

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

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

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

In November 2015, Flexiroam launched its new free smart roaming application for Android and iOS. The Flexiroam App empowers travellers to stay connected whilst abroad or at home without incurring excessive roaming fees or international call charges. The app allows users to communicate with one another for free over an internet connection using its in-built voice, video and messaging features. In addition, users will be able to purchase dedicated local numbers from up to 55 different countries giving them an instant global presence for as low as US\$1 per month. The app also allows off-net calls, enabling calls from app to landlines and international numbers for as little as US\$0.01 a minute.

In 18 November 2015, Gerard Kho resigned as Director of Flexiroam Limited and was replaced by Dato Larry Gan.

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 4.

Signed in accordance with a resolution of directors made pursuant to s.306 (3)(a) of the Corporations Act 2001.



Jefrey Ong
Managing Director

Signed at Kuala Lumpur on this 29th day in February 2016

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Flexiroam Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



Perth, Western Australia
29 February 2016

M R W Ohm
Partner

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Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2015

		Consolidated	Flexiroam Sdn Bhd
	Notes	Half-year ended 31 Dec 2015 \$	Half-year ended 31 Dec 2014 \$
Sales	2	5,978,323	2,175,204
Cost of sales	3	(6,084,986)	(1,593,742)
Gross (loss)/profit		(106,663)	581,462
Interest received		78,083	-
Foreign exchange gains		737,597	-
Other income		18,210	119,031
Administration and operating expenses		(517,113)	(153,197)
Research and development		(35,493)	-
Staff costs		(446,675)	(211,640)
Depreciation and amortisation		(1,056,731)	(101,783)
Finance expenses		(3,580)	(4,410)
Impairment of available-for-sale asset		(3,400)	-
(Loss)/profit before income tax		(1,335,765)	229,463
Income tax expense		-	(432)
(Loss)/profit for the period		(1,335,765)	229,031
Other comprehensive (loss)/income			
Items that may be re-classified to profit or loss:			
Foreign exchange translation		(2,385,763)	1,146,516
Total comprehensive (loss)/profit for the period		(3,721,528)	1,375,547
(Loss)/earnings per share (basic and diluted)		(0.7) cents	0.3 cents

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

Condensed consolidated statement of financial position as at 31 December 2015

	Note	As at 31 Dec 2015 \$	As at 30 June 2015 \$
CURRENT ASSETS			
Cash and cash equivalents		7,267,806	8,623,528
Trade and other receivables		326,786	341,604
Inventory		-	5,437
Available-for-sale financial assets		10,200	13,600
Convertible note	4	-	57,072
Loan receivable	5	114,491	43,818
Total Current Assets		<u>7,719,283</u>	<u>9,085,059</u>
NON-CURRENT ASSETS			
Development expenditure	6	123,763	144,147
Intellectual property	7	18,188,781	20,647,648
Plant and equipment		164,869	52,937
Intangible assets	8	490,647	619,372
Total Non-Current Assets		<u>18,968,060</u>	<u>21,464,104</u>
Total Assets		<u>26,687,343</u>	<u>30,549,163</u>
CURRENT LIABILITIES			
Trade and other payables		52,635	262,009
Borrowings		1,011	-
Total Current Liabilities		<u>53,646</u>	<u>262,009</u>
NON-CURRENT LIABILITIES			
Borrowings		68,180	-
Deferred tax		1,393	1,502
Total Non-Current Liabilities		<u>69,573</u>	<u>1,502</u>
Total Liabilities		<u>123,219</u>	<u>263,511</u>
Net Assets		<u>26,564,124</u>	<u>30,285,652</u>
EQUITY			
Issued capital	9	35,318,699	35,318,699
Reserves		(2,488,725)	(102,962)
Accumulated losses		(6,265,850)	(4,930,085)
Total Equity		<u>26,564,124</u>	<u>30,285,652</u>

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

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2015

	Issued Capital \$	Option Reserves \$	Forex Translation Reserve \$	Accumulated losses \$	Total \$
Flexiroam Sdn Bhd					
Balance at 1 July 2014	21,029,757	-	(1,188,496)	(432,057)	19,409,204
Total comprehensive profit for the period	-	-	1,146,516	229,031	1,375,547
Balance at 31 December 2014	21,029,757	-	(41,980)	(203,026)	20,784,751
Consolidated					
Balance at 1 July 2015	35,318,699	299,993	(402,955)	(4,930,085)	30,285,652
Total comprehensive loss for the period	-	-	(2,385,763)	(1,335,765)	(3,721,528)
Balance at 31 December 2015	35,318,699	299,993	(2,788,718)	(6,265,850)	26,564,124

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

Condensed consolidated statement of cash flows for the half-year ended 31 December 2015

	Note	Consolidated Half-year ended 31 Dec 2015 \$	Flexiroam Sdn Bhd Half-year ended 31 Dec 2014 \$
Cash flows from operating activities			
Receipts from customers		3,921,988	747,462
Payments to suppliers and employees		(5,197,263)	(716,107)
Interest paid		(3,580)	(4,410)
Interest received		85,156	-
Net cash flows (used in)/ provided by operating activities		<u>(1,193,699)</u>	<u>26,945</u>
Cash flows from investing activities			
Purchase of plant and equipment		(124,263)	(27,046)
Purchase of intangible assets		-	(337,334)
Proceeds from convertible note		50,000	-
Net cash flows (used in)/provided by investing activities		<u>(74,263)</u>	<u>(364,380)</u>
Cash flows from financing activities			
Government grants		18,210	119,031
Advances		(70,673)	-
Borrowings		69,191	288,079
Net cash flows (used in)/provided by financing activities		<u>16,728</u>	<u>407,110</u>
Net (decrease)/increase in cash and cash equivalents		<u>(1,251,234)</u>	<u>69,675</u>
Cash and cash equivalents at the beginning of the period			
		8,623,528	143,774
Foreign exchange fluctuations on opening cash balances		(104,488)	(3,155)
Cash and cash equivalents at the end of the period		<u><u>7,267,806</u></u>	<u><u>210,294</u></u>

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

Notes to the condensed consolidated financial statements

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

This consolidated interim financial report includes the financial statements and notes of Flexiroam Limited (“the Company”) and its subsidiary Flexiroam Sdn. Bhd. (collectively “the Group”). The Group is a for-profit entity primarily and is domiciled in Australia.

These half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 ‘Interim Financial Reporting’, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (‘AASB’). Compliance with AASB 134 ensures compliance with IAS 34 ‘Interim Financial Reporting’.

This consolidated interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2015 and any public announcements made by the Company and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

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

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

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period and does not include full disclosures of the type normally included in an annual financial report.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Reverse acquisition accounting

In March 2015, Flexiroam Limited completed the acquisition of Flexiroam Sdn. Bhd. For accounting purposes, Flexiroam Sdn. Bhd. has been identified as the accounting acquirer of the group. The accompanying consolidated interim financial statements represent a continuation of Flexiroam Sdn. Bhd.’s financial statements. The results for the half-year ended 31 December 2015 represent the performance of Flexiroam Sdn. Bhd. and the performance of Flexiroam Limited. The comparative period results reflect the performance of Flexiroam Sdn. Bhd. only.

Adoption of new and revised standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current half-year.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant accounting judgments and key estimates

The preparation of half-year financial report 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 half-year financial 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 2015 except for the following:

During the half-year ended 31 December 2015, management reassessed the intellectual property as having a remaining finite life of ten years. This has resulted in a current period amortisation charge of \$957,304 with the remaining balance being amortised straight line over its remaining life.

Going concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business. The Group incurred an operating loss of \$1,335,765 for the half-year ended 31 December 2015 (2014 profit: \$229,031) and a net cash outflow from operating activities amounting to \$1,193,699 (2014 inflow: \$26,945).

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

NOTE 2 SALES

	Consolidated	Flexiroam Sdn Bhd
	Half-year ended 31 Dec 2015	Half-year ended 31 Dec 2014
	\$	\$
Corporate ¹	5,727,669	1,594,712
Consumer ²	250,654	580,492
	5,978,323	2,175,204

¹ Corporate sales consist of business to business transactions involving local and foreign travel agencies and companies.

² Consumer sales consist of business to consumer transactions involving local and foreign travellers.

NOTE 3 COST OF SALES

	Consolidated	Flexiroam Sdn Bhd
	As at 31 Dec 2015	As at 31 Dec 2014
	\$	\$
Network costs	267,899	163,355
Marketing	5,727,669	1,311,574
Material costs	60,725	10,065
Commissions due	18,388	92,699
Research expenditure	10,305	16,049
	6,084,986	1,593,742

NOTE 4 CONVERTIBLE NOTE

	As at 31 Dec 2015 \$	As at 30 June 2015 \$
Opening balance	57,072	50,000
Interest receivable	531	7,072
Repayment of convertible note	(57,603)	-
	-	57,072

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

NOTE 5 LOAN RECEIVABLE

	As at 31 Dec 2015 \$	As at 30 June 2015 \$
Opening balance	43,818	-
Additional loan	71,269	43,818
Foreign exchange translation effects	(596)	-
Closing balance	114,491	43,818

During the half-year ended 31 December 2015, Flexiroam Sdn. Bhd. made loan advances to Reapfield Technology Sdn. Bhd. which are unsecured, interest free and repayable on demand.

NOTE 6 DEVELOPMENT EXPENDITURE

	As at 31 Dec 2015 \$	As at 30 June 2015 \$
Carrying value opening balance	144,147	166,265
Amortisation	(9,901)	(29,091)
Foreign exchange translation effects	(10,483)	6,973
Carrying value closing balance	123,763	144,147

NOTE 7 INTELLECTUAL PROPERTY

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

Intellectual property is an intangible asset with a finite life of ten years and is stated at cost.

As at 31 December 2015, Flexiroam Malaysia holds 1 patent in Malaysia and 1 patent in India.

	Half-year ended 31 Dec 2015 \$	As at 30 June 2015 \$
Opening balance	20,647,648	19,844,551
Amortisation	(957,304)	-
Foreign exchange translation effects	(1,501,563)	803,097
Closing balance	18,188,781	20,647,648

NOTE 8 INTANGIBLE ASSET

	Half-year ended 31 Dec 2015 \$	As at 30 June 2015 \$
Carrying value opening balance	619,372	461,570
Amortisation	(83,683)	(176,651)
Foreign exchange translation effects	(45,042)	334,453
Carrying value closing balance	490,647	619,372

NOTE 9 ISSUED CAPITAL

	Number	\$
Ordinary shares issued (net of share issue costs)	188,197,501	35,318,699
Reconciliation		
Balance at 1 July 2014	60,000,000	21,029,757
Adjustment on acquisition of Flexiroam Limited	32,200,001	647,000
Elimination of the historical value of Flexiroam Limited issued capital	-	(647,000)
Elimination of Flexiroam Malaysia issued capital	(60,000,000)	-
Share issue – 18 March 2015 ¹	105,000,000	4,855,047
Share issue – 19 March 2015 ²	2,000,000	200,000
Share issue – 10 June 2015 ³	46,297,500	9,259,500
Share issue – 10 June 2015 ⁴	2,700,000	540,000
Capital raising costs	-	(565,605)
Balance at 30 June 2015	188,197,501	35,318,699
Balance at 1 July 2015	188,197,501	35,318,699
<i>No movements</i>	-	-
Balance at 31 December 2015	188,197,501	35,318,699

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

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

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

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

NOTE 10 SEGMENT REPORTING

The Group has identified its operating segments as telecommunications and is used by the board of Directors in assessing performance and determining the allocation of resources. The reportable segment is represented by the primary consolidated statements forming the consolidated interim financial report for the half-year ended 31 December 2015.

NOTE 11 FINANCIAL INSTRUMENTS

The accounting policies and methods of computation adopted are consistent with those of the previous year and corresponding half-year.

The available-for-sale financial asset has been measured at fair value on level 1 fair value measurement representing the share price at balance date. The impairment for the period has been recognised in profit and loss as the decline is considered significant and prolonged.

NOTE 12 SIGNIFICANT EVENTS AFTER BALANCE DATE

On 29 January 2016, the Company issued 2,792,000 fully paid ordinary shares to employees of Flexiroam Sdn. Bhd. under the Company's Performance Rights Plan.

NOTE 13 COMMITMENTS AND CONTINGENCIES

There has been no change in contingent liabilities since the last annual reporting date.

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Directors' declaration

In the opinion of the Directors of the Group:

1. The accompanying financial statements, notes and additional disclosures of the Group are in accordance with the Australian Accounting Standards including:
 - a. giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the year then ended; and
 - b. complying with Australian Accounting Standards, professional reporting requirements and other mandatory requirements; and
2. 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 made pursuant to S.305(5) of the Corporations Act 2001.

On behalf of the Board



Jefrey Ong
Managing Director
Signed at Kuala Lumpur on this 29th day in February 2016

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Flexiroam Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Flexiroam Limited ("the company") which comprises the condensed statement of financial position as at 31 December 2015, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company 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 half-year 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 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 the company, 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*.

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 Flexiroam Limited 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 the *Corporations Regulations 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
29 February 2016



M R W Ohm
Partner

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