NVOI LTD

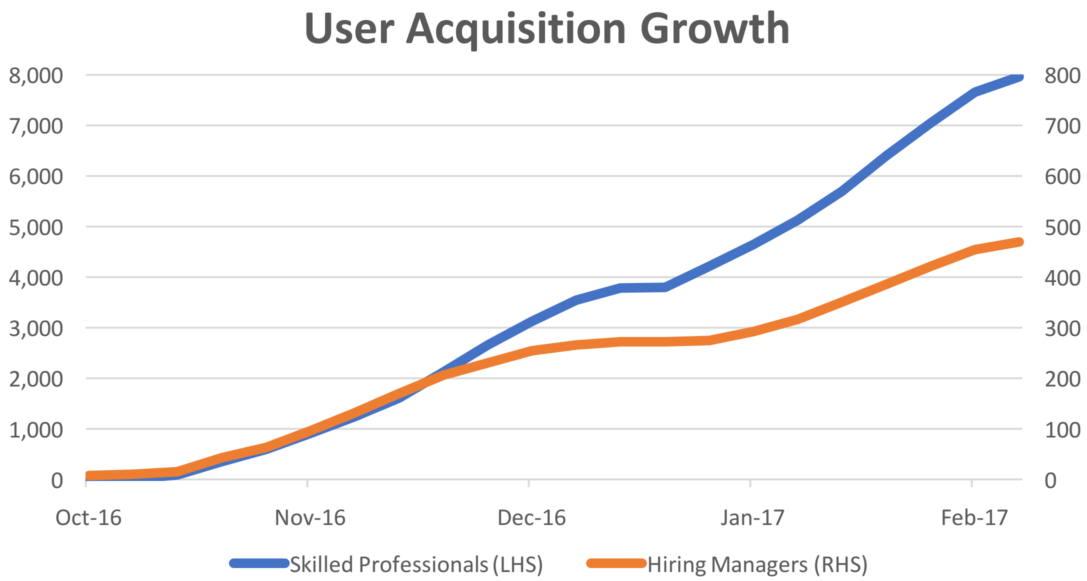
ASX Announcement
24th February 2017

NVOI HALF YEARLY RESULTS

Sydney, 24th February, 2017: Nvoi (ASX: NVO), ("Nvoi" or "the Company"), the platform powering the new world of work, is pleased to release its 2017 Half Yearly Results.

The Company remains on track in executing its growth strategy. Metrics driving this strategy includes:

1. User acquisitions, both Hiring Managers and Skilled Professionals – we continue to focus on building liquidity in the marketplace to connect Skilled Professionals and Hiring Managers.
2. User Engagement – representing the completion of a core activity in the platform by users. This metric demonstrates the usage of the platform which drives active assignments.
3. Active Assignments – Skilled Professionals employed on contracts driving cash flow and revenue.



Positive feedback continues – Rosie, a three-month user of the Nvoi platform says:

"After leaving my full-time position as a graphic designer at an agency, I dived head first into freelance work and becoming my own boss. Nvoi has taken the stress out of looking for clients with an amazing network of companies and potential clients who are keen to work with fresh talent. You set your own rates and call the shots on how many hours you wish to work and the type of projects you would like to take on. Nvoi is awesome for anyone who seeks flexibility, mobility and freedom in their work life."

Nvoi's CEO, Jennifer Maritz, commented that "investments in R&D and marketing remain in line with our growth strategy. Our user base continues to grow, and we will continue strong execution of the Nvoi city by city business model. Our focus on outstanding user experience is brought to life by users like Rosie who are continually engaged through the Nvoi platform".

On behalf of the Board

Michael Bermeister
Company Secretary
Nvoi Ltd

NVOI Ltd

ABN 29 107 371 497

Interim Report
For the Half Year ended
31 December 2016

Appendix 4D

Results for announcement to the market

	Note		31 December 2016 $	31 December 2015 $
Total revenues	**1**	Up 116 %	1,199,519	556,477
Loss from ordinary activities after tax attributable to shareholders	**1**	Up 233 %	(1,922,048)	(577,521)
Net loss for the period attributable to shareholders	**1**	Up 233 %	(1,922,048)	(577,521)

No dividends have been declared for the reporting period.

NTA Backing	Note	31 December 2016 cents	31 December 2015 cents
Net tangible asset backing per ordinary share	**1**	1.65	0.50

Note 1: Brief explanation of the above figures

On 28 June 2016, Nvoi Limited (formerly Orrex Resources Ltd) completed the acquisition of Nvoi AsiaPac Ltd and its subsidiaries (collectively referred to as the Nvoi Group). Under the Australian Accounting Standards, the Nvoi Group was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a share based payment by which the Nvoi Group acquires the net assets and listing status of Nvoi Limited (formerly Orrex Resources Ltd).

Accordingly, the consolidated financial statements of Nvoi Limited, have been prepared as a continuation of the business and operations of the Nvoi Group. As the deemed acquirer, the Nvoi Group has accounted for the acquisition of Nvoi Limited from 28 June 2016. Comparative financial statements for the half year ended 31 December 2015 are those applicable for the Nvoi Group. The percentages tabled above highlight the changes in operations facilitated by the acquisition.

Commentary

Refer to the attached announcement.

Director's Report

Your directors present their report on the consolidated entity of Nvoi Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2016.

Directors

The following persons were directors of Nvoi Limited during the whole of the half-year and up to the date of this report (unless otherwise stated):

Andrew Dutton	Non-Executive Chairman
Jennifer Maritz	Executive Director and Group CEO (appointed effective 1 December, 2016)
Mark Rowlands	Executive Director and Senior VP Global Growth
Tim Ebbeck	Non-Executive Director
Pamela Cass	Non-Executive Director
Warwick Kirby	Executive Director and Group CEO (resigned effective 8 October, 2016)

Principal activities

The primary activity in the period under review was the development of an advanced Talent-On-Demand cloud-based Platform ("The Platform") that delivers a scalable and flexible approach to securing and managing top talent for on-site, non-permanent work assignments in, typically, white-collar job roles, and for workers to promote themselves to access contingent assignment work.

Review of Operations

During the period under review, and following the consolidated entity's ASX listing under the Nvoi brand, the group soft-launched its Talent-On-Demand technology platform generating $32,844 in platform billings.

Recognised revenue for the six months ended 31 December 2016 increased 116% to $1,199,519 versus $556,447 for the same period last year, after considering the R&D tax credits of $1,154,988, versus $555,755 for the same period the previous year. The FY 2016 R&D tax credit receivable of $759,863 is expected to be received during the second half of the current financial year.

Net losses increased 233% to $1,922,048 for the six months ended 31 December 2016 versus $577,521 for the same period last year. This reflects an increase in research and development, marketing and other operating activities associated with the development and soft launch of the group's Talent-On-Demand platform.

Cash on hand at 31 December 2016 was $5,539,208 as compared to $9,555,063 at 30 June 2016.

Dividends

No dividends were declared or paid during the half year ended December 2016. No recommendation of dividend has been made.

Matters subsequent to the end of the financial period

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial periods.

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 4.

This report is made in accordance with a resolution of directors.

Andrew Dutton
Chairman
23 February 2017

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

23 February 2017

Board of Directors
Nvoi Limited
Suite 402
110 Walker Street
North Sydney NSW 2060

Dear Directors

RE: NVOI LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Nvoi Limited.

As Audit Director for the review of the financial statements of Nvoi Limited for the six months ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik

Martin Michalik
Director

Statement of profit or loss and other comprehensive income

For the half year ended 31 December 2016

	Note	Consolidated	
		31 December 2016	31 December 2015
		$	$
Continuing Operations			
Platform billings for the period		32,884	-
Cost of services		(30,764)	-
Net platform income		**2,120**	**-**
Research & development tax offset scheme	3	1,154,988	555,755
Interest Income		38,760	722
Other Income		3,651	-
Expenses			
Employee benefits expense		(551,471)	(306,494)
Share based payment expense		(45,662)	(77,589)
Marketing and advertising		(226,800)	-
Research and development		(1,590,755)	(78,118)
Occupancy costs		(115,369)	(28,377)
Finance and administration		(499,949)	(613,196)
Depreciation, amortisation and impairment		(80,850)	-
Other expenses		(10,711)	(30,224)
Loss before income tax		**(1,922,048)**	**(577,521)**
Income tax expense		-	-
Loss after tax		**(1,922,048)**	**(577,521)**
Other comprehensive income for the half year			
Other comprehensive Income		-	-
Total comprehensive loss for the half year		**(1,922,048)**	**(577,521)**
Total comprehensive loss attributable to owners of Nvoi Ltd		**(1,922,048)**	**(577,521)**
		Cents	**Cents**
Basic earnings per share	4	(0.51)	(0.94)
Diluted earnings per share	4	(0.51)	(0.94)

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

Statement of Financial Position

As at 31 December 2016

	Note	Consolidated 31 December 2016 $	30 June 2016 $
Assets			
Current assets			
Cash and cash equivalents		5,539,208	9,535,063
Trade and other receivables	6	1,182,053	14,866
Other assets		103,778	6,000
Total current assets		**6,825,039**	**9,555,929**
Non-current assets			
Property, plant and equipment		22,659	519
Intangibles		-	78,119
Total non-current assets		22,659	78,638
Total assets		**6,847,698**	**9,634,567**
Liabilities			
Current Liabilities			
Trade and other payables		627,829	1,308,557
Borrowings		-	236,527
Total current liabilities		**627,829**	**1,545,084**
Total liabilities		**627,829**	**1,545,084**
Net Assets		**6,219,869**	**8,089,483**
Equity			
Issued capital	7	15,089,946	15,083,174
Share based payment reserve		45,662	-
Accumulated losses		(8,915,739)	(6,993,691)
Total equity		**6,219,869**	**8,089,483**

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

Statement of Changes in Equity

For the half year ended 31 December 2016

	Issued capital	Share based payment reserve	Accumulated losses	Total Equity
	$	$	$	$
Consolidated				
Balance at 1 July 2015	**1,464,853**	**-**	**(2,030,206)**	**(565,353)**
Loss for the half year	-	-	(577,521)	(577,521)
Total comprehensive loss for the half year	**-**	**-**	**(577,521)**	**(577,521)**
Transactions with owners in their capacity as owners				
Shares issued during the period	1,477,588	-	-	1,477,588
Shares raising costs	(90,000)	-	-	(90,000)
Total transactions with owners in their capacity as owners	**1,387,588**	**-**	**-**	**1,387,588**
Balance at 31 December 2015	**2,852,441**	**-**	**(2,607,727)**	**244,714**

	Issued capital	Share based payment reserve	Accumulated losses	Total equity
	$	$	$	$
Consolidated				
Balance at 1 July 2016	**15,083,174**	**-**	**(6,993,691)**	**8,089,483**
Loss for the half year	-	-	(1,922,048)	(1,922,048)
Total comprehensive loss for the half year	**-**	**-**	**(1,922,048)**	**(1,922,048)**
Transactions with owners in their capacity as owners				
Share based payment – employees	-	45,662	-	45,662
Shares issued during the period	10,000	-	-	10,000
Shares raising costs	(3,228)	-	-	(3,228)
Total transactions with owners in their capacity as owners	**6,772**	**45,662**	**-**	**52,434**
Balance at 31 December 2016	**15,089,946**	**45,662**	**(8,915,739)**	**6,219,869**

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

Statement of Cash Flows

For the half year ended 31 December 2016

	Consolidated	
	31 December 2016	**31 December 2015**
	$	$
Cash flows from operating activities		
Receipts from customers	36,173	-
Payments to suppliers and employees	(3,150,238)	(1,133,770)
Research and development tax offset income	-	555,755
Interest received	37,036	722
Net cash used in operating activities	**(3,077,029)**	**(577,293)**
Cash flows from investing activities		
Payments for plant and equipment	(24,872)	-
Net cash used in investing activities	**(24,872)**	**-**
Cash Flows from financing activities		
Proceeds from issue of shares, net of costs	(657,427)	1,309,999
Proceeds from borrowings	-	24,324
Repayment of borrowings	(236,527)	-
Net cash (used in) / provided by financing activities	**(893,954)**	**1,334,323**
Net (decrease)/increase in cash and cash equivalents	**(3,995,855)**	**757,030**
Cash and cash equivalents at the beginning of the half year	9.535,063	510
Cash and cash equivalents at the end of the half year	**5,539,208**	**757,540**

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

Notes to the Financial Statements

For the Half Year ended 31 December 2016

Note 1: Basis of Preparation

This interim financial report for the half-year reporting period ended 31 December 2016 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This condensed 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 2016 and any public announcements made by Nvoi Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted in these interim financial statements are consistent with those adopted in Nvoi Limited's annual financial report for the year ended 30 June 2016, except for the changes below.

(a) New and amended standards adopted by the group

A number of new or amended standards became applicable for the current reporting period. However, the group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(i) AASB 2 Share-based payments

In July 2016, the AASB made amendments to AASB 2 which clarified the effect of vesting conditions on the measurement of cash-settled share-based payment transactions, the classification of share-based payment transactions with net settlement features and the accounting for a modification of the terms and conditions that changes the classification of the transaction from cash-settled to equity-settled.

While the amendments do not have to be applied until reporting periods commencing on or after 1 January 2018, the group has adopted the new standard from 1 July 2016.

(ii) AASB 15 Revenue from contracts with customers

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers revenue arising from the sale of goods and the rendering of services and AASB 111 which covers construction contracts.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

The standard permits either a full retrospective or a modified retrospective approach for the adoption. Although it is effective for the first interim period within annual reporting periods beginning on or after 1 January 2018, the group has adopted the new standard from 1 July 2016.

Management has identified the following areas that are likely to be affected:

- IT consulting services – the application of AASB 15 may result in the identification of separate performance obligations which could affect the timing of the recognition of revenue

- accounting for costs incurred in fulfilling a contract – certain costs expensed may need to be recognised as an asset under AASB 15.

(b) Impact of standards issued but not yet applied by the entity

(i) AASB 16 Leases
AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the group's operating leases. However, the group has not yet determined to what extent future commitments will result in the recognition of an asset and a liability for future payments and how this will affect the group's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under AASB 16. The standard is mandatory for first interim periods within annual reporting periods beginning on or after 1 January 2019. At this stage, the group does not intend to adopt the standard before its effective date.

Note 2: Operating segments

The consolidated entity currently only has a single operating segment being the development of the advanced Talent-On-Demand cloud-based platform. The consolidated entity operations and assets are all primarily located in Australia.

Note 3: Revenue

	Half Year 2016 $	**Half Year 2015 $**
Net platform revenue	2,120	-
Research & development tax offset scheme		
FY 2017 (half year)	395,125	-
FY 2016	759,863	-
FY 2015	-	555,755
Interest Income	38,760	722
Other Income	3,651	-
Total Revenue	**1,199,519**	**556,477**

Note 4: Loss per share

	Half Year 2016	Half Year 2015
	$	$
Loss after income tax attributable to the owners of Nvoi Ltd	**(1,922,048)**	**(577,521)**
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic loss per share	376,421,690	61,765,613
Weighted average number of ordinary shares used in calculating diluted loss per share	376,421,690	61,765,613

Note 5: Dividends

No interim dividend is proposed.

Note 6: Current assets – Trade and other receivables

	31 December 2016 $	30 June 2016 $
Refundable R&D income tax benefits:		
FY 2017 (half year)	395,125	-
FY 2016 (full year)	759,863	-
Other	27,065	14,866
	1,182,053	**14,866**

(a) Refundable R&D income tax benefits are refunds received from government within 30 days after finalisation of the group's income tax returns. The FY 2016 refund is expected during the first quarter of calendar 2017 and the FY 2017 refund is anticipated during the third quarter of calendar 2017.

Note 7: Equity Securities Issued

	31 December 2016 6 months	30 June 2016 12 months	31 December 2016 6 months	30 June 2016 12 months
	No.	No.	$	$
Balance at beginning of financial period/year	376,289,081	22,766,668	15,083,174	1,464,853
Share based payment to employees	-	1,366,000	-	77,589
Shares (Nvoi Ltd) issued during the period	200,000	-	10,000	-
Shares (Nvoi AsiaPac) issued during the year	-	37,037,562	-	1,500,391
Conversion of borrowings to ordinary shares	-	9,490,779	-	392,381
Shares for acquisition of Nvoi Ltd deemed as consideration on acquisition	-	169,586,421	-	4,402,160
Prospectus application	-	133,333,324	-	8,000,000
Shares in Nvoi Ltd on completion of acquisition	-	73,369,336	-	-
Nvoi AsiaPac shares eliminated on completion of acquisition	-	(70,661,009)	-	-
Transaction costs relating to share issues			(3,228)	(754,200)
Balance at the end of financial period/year	**376,489,081**	**376,289,081**	**15,089,946**	**15,083,174**

Note 8: Contingent Liabilities

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

Note 9: Events occurring after the reporting period

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly effect on the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 5 to 12 are in accordance with the Corporations Act 2001, including
   (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
   (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date, and

(b) there are reasonable grounds to believe that Nvoi Limited 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 directors.

Andrew Dutton
Chairman
23 February 2017

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
NVOI LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Nvoi Limited, which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Nvoi Limited (the consolidated entity). The consolidated entity comprises both Nvoi Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Nvoi Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) 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 consolidated entity's financial position as at 31 December 2016 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 Nvoi 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

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*, has been provided to the directors of Nvoi Limited on 23 February 2017.

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 Nvoi 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 2016 and of its performance for the half-year ended on that date; and

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
23 February 2017