



ASX Appendix 4E

for the 12 months ended 30 June 2017

1. Company Details

Name of Entity

IODM Limited

ABN

28 102 747 133

Current period

1 July 2016 to 30 June 2017

Previous period

1 July 2015 to 30 June 2016

2. Results for announcement to the market

AUD			
2.1 Revenues from continuing operations	Up	212% to	\$ 113,507
2.2 Loss from continuing operations after tax attributable to members	Down	54% to	\$ 1,864,978
2.3 Net loss for the period attributable to members	Down	54% to	\$ 1,864,978
2.4 Dividends	Amount per security		Franked amount per security
Dividend declared	N/A		N/A
2.5 Record date for determining entitlements to dividend	N/A		
2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable figures to be understood			
Loss from continuing operations included share based payment of \$ 2,184,921 for the previous financial year as a result of the following transaction			
- On 29 June 2016, IODM Limited (formerly Paradigm Metals Limited) completed the 100% acquisition of The Debtor Management Hub Pty Ltd (formerly IODM Pty Ltd). Under the Australian Accounting Standards The Debtor Management Hub Pty Ltd was deemed to be the accounting acquirer in this			

IODM Limited

transaction. The acquisition has been accounted for as a share based payment by which The Debtor Management Hub Pty Ltd acquires the net assets and listing status of IODM Limited.

The net loss associated with the business for the year ended 30th June 2017 was the expected position as the business was in early stages of development of the corporate/enterprise offering.

Over the next financial year the company expects to secure global brands and blue chip clients as repeat customers and be cash positive in calendar year 2018.

3. Consolidated Statements of Comprehensive Income together with notes to the statement –

See accompanying unaudited preliminary financial statements.

4. Consolidated Statements of Financial Position together with notes to the statement –

See accompanying unaudited preliminary financial statements.

5. Consolidated Statements of Cash Flows together with notes to the statement –

See accompanying unaudited preliminary financial statements.

6. Consolidated Statements of Changes in Equity together with notes to the statement –

See accompanying unaudited preliminary financial statements.

7. Dividends

Individual dividends per security

Final Dividend	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Current Year	N/A	N/A	N/A	N/A
Previous Year	N/A	N/A	N/A	N/A

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8. Dividend Reinvestment Plans

The dividend or distribution plans shown below are in operation.

N/A	
The last date(s) for receipt of election notices for the dividend or distribution plans.	N/A

9. Net tangible assets per security

	30 June 2017	30 June 2016
Net tangible asset backing per ordinary	-\$0.00013	\$0.0097

10. Details of entities over which control has been gained or lost

N/A

For further detail refer to the accompanying unaudited preliminary financial statements and notes.

10.1 Control lost over entities

N/A

11 Details of associates and joint entities

Results for announcement to the market incorporate the results of IODM Limited and the following subsidiaries:

The Debtor Management Hub Pty Ltd – 100%

The Innovative Online Debt Management Trust – 100%

Paradigm NSW Pty Limited – 100%

Paradigm Queensland Pty Ltd – 100%

Tungsten NSW Pty Ltd – 100%

12 Other significant information

On 8 August 2017 the Group announced it is undertaking a pro-rata non-renounceable issue of 3 fully paid ordinary shares (share) for each 8 shares held at an issue price of \$ 0.008 per new share to raise

up to approximately \$ 1,000,000. (Rights Offer). The Rights Offer will be partially underwritten to the amount of \$ 700,000 by Melbourne based Domain Capital Pty Ltd

13 Foreign entities

N/A

14 Commentary on results

14.1 Earnings per security

Basic loss per share- \$0.0056

Diluted loss per share - \$0.0056

14.2 Returns to shareholders

N/A

14.3 Significant features of operating performance

As the company has only been operating for two years as cloud based there are no significant features of operating performance.

14.4 Results of segments

N/A - For management purposes, the Group is organised into one main operating segment, which is the operation as a cloud based Software as a Service provided. All of the Group's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment.

Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

14.5 Trends in performance

As the company has only been operating for two years as cloud based there are no significant trends in performance noted by management for reporting.

14.6 Other factors affecting results

N/A

15 Audit status

The consolidated numbers included in this Appendix 4E are in the process of being audited.

16 Likely audit opinion of accounts not yet audited

The audit report is not expected to be subject to a modified opinion or emphasis of matter.

17 Audit opinion of accounts already audited

N/A

A handwritten signature in black ink, appearing to read 'Damian Arena', with a large, stylized flourish extending from the bottom.

Print Name:

Damian Arena

Position:

Managing Director

Date:

31 August 2017

IODM Limited

Consolidated Statement of Profit or Loss & Other Comprehensive Income for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Sales		111,137	35,284
Interest received		2,370	1,074
Research and development tax offset income		254,725	-
Total Revenue		368,232	36,358
Administrative and Public Company expenses		(135,488)	(40,781)
Accounting and audit fees		(67,532)	(6,465)
Professional fees		(42,817)	(32,989)
Consultants and Directors Fees		(390,762)	(481,302)
Employee costs		(1,232,842)	(309,270)
Depreciation of plant and equipment		(7,067)	-
Impairment of fixed assets		(40,504)	-
Share based payment		-	(2,184,921)
Finance costs		(4,440)	(879,014)
Loss on acquisition of subsidiary		-	(43,990)
Impairment of loan		(16,613)	-
Other Expenses		(295,145)	(132,290)
Loss before income tax		(1,864,978)	(4,074,664)
Income tax expense		-	-
Loss after tax		(1,864,978)	(4,074,664)
OTHER COMPREHENSIVE INCOME			
Total comprehensive loss for the year		(1,864,978)	(4,074,664)
Basic and diluted loss per share (cents per share)	7	(0.56)	(2.32)

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

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Consolidated Statement of Financial Position *as at 30 June 2017*

	Notes	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents		193,077	3,035,739
Trade and other receivables		77,270	165,084
TOTAL CURRENT ASSETS		270,347	3,200,823
NON-CURRENT ASSETS			
Plant and equipment		22,030	5,874
Trade and other receivables		7,500	7,500
Other intangible assets		20,800	-
TOTAL NON-CURRENT ASSETS		50,330	13,374
TOTAL ASSETS		320,677	3,214,197
CURRENT LIABILITIES			
Trade and other payables		242,825	1,262,710
Provisions		37,241	-
Financial liabilities – convertible notes		-	60,000
Borrowings		16,810	-
TOTAL CURRENT LIABILITIES		296,876	1,322,710
NON-CURRENT LIABILITIES			
Borrowings		44,919	-
TOTAL NON-CURRENT LIABILITIES		44,919	-
TOTAL LIABILITIES		341,795	1,322,710
NET (LIABILITIES) / ASSETS		(21,118)	1,891,487
EQUITY			
Issued capital	4	5,228,837	5,276,464
Reserves	5	689,687	689,687
Accumulated losses		(5,939,642)	(4,074,664)
TOTAL (DEFICIENCY) / EQUITY		(21,118)	1,891,487

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

Consolidated Statement of Changes in Equity *for the year ended 30 June 2017*

	Issued Capital \$	Share Based Payment Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2016	5,276,464	689,687	(4,074,664)	1,891,487
Loss for the year	-	-	(1,864,978)	(1,864,978)
Total comprehensive loss for the year	-	-	(1,864,978)	(1,864,978)
<i>Transactions with owners in their capacity as owners</i>				
Shares issued on exercise of options	206	-	-	206
Transaction costs relating to issue of shares	(47,833)	-	-	(47,833)
Balance as at 30 June 2017	5,228,837	689,687	(5,939,642)	(21,118)
Balance at 1 July 2015	-	-	-	-
Loss for the year	-	-	(4,074,664)	(4,074,664)
Total comprehensive loss for the year	-	-	(4,074,664)	(4,074,664)
<i>Transactions with owners in their capacity as owners</i>				
Shares issued to acquire subsidiary	1,124	-	-	1,124
Shares issued under Prospectus	3,060,000	-	-	3,060,000
Shares issued to vendors	1,945,933	-	-	1,945,933
Shares issued to convertible noteholders	1,250,000	-	-	1,250,000
Options issued to convertible noteholders	-	379,014	-	379,014
Options issued to broker	-	310,673	-	310,673
Transaction costs relating to issue of shares	(980,593)	-	-	(980,593)
Balance as at 30 June 2016	5,276,464	689,687	(4,074,664)	1,891,487

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

Consolidated Statement of Cash Flows *for the year ended 30 June 2017*

	Notes	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received and other income		2,917	1,074
Receipts from customers		113,304	62,401
Other receipts		254,725	-
Payments to suppliers and employees		(2,449,474)	(741,457)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	3	(2,078,528)	(740,383)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from convertible notes		-	810,000
Cash acquired from acquisition of subsidiary		-	9,216
Cash lost in deconsolidation		-	(1,238)
Payment of refundable security deposit		(43,949)	-
Acquisition of property and equipment		(63,727)	(5,691)
NET CASH (OUTFLOW) / INFLOW FROM INVESTING ACTIVITIES		(107,676)	812,287
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		110,000	3,012,163
Proceeds from option conversion		206	-
Proceeds from leasing		73,379	-
Oversubscriptions returned		(68,010)	-
Settlement of convertible note		(60,000)	-
Share issue costs		(700,382)	(48,328)
Lease repayments		(11,651)	-
NET CASH (OUTFLOW) / INFLOW FROM FINANCING ACTIVITIES		(656,458)	2,963,835
Net (decrease)/increase in cash and cash equivalents		(2,842,662)	3,035,739
Cash and cash equivalents at beginning of year		3,035,739	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	3	193,077	3,035,739

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

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Notes to the Financial Statements *for the year ended 30th June 2017*

1. Corporate Information

The financial report consists of the unaudited consolidated financial statements of IODM Limited and its subsidiaries ("IODM" or "the Group") for the year ended 30 June 2017. IODM is a for-profit entity.

IODM Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The preliminary report is to be read in conjunction with the 2016 Annual Financial Report, the December 2016 half year report and any public announcements made by IODM Limited and its controlled entities during the year in accordance with the continuous disclosure obligation arising under ASX Listing Rules.

The preliminary report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the preliminary final report are consistent with those adopted and disclosed in the Company's Annual Financial Report for the year ended 30th June 2016.

(b) Statement of Compliance

The preliminary report has been prepared in accordance with ASX Listing Rule 4.3A, the disclosure requirements of ASX Appendix 4E, and in accordance with the recognition and measurement requirements but not the disclosure requirements or the Accounting Standards and Australian Accounting Interpretations and the Corporations Act 2001. Accounting Standards includes Australian equivalents to International Financial Reporting Standards (A-IFRS).

The preliminary report does not include notes of the type normally included in an annual report.

(c) Going Concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a net loss after tax for the year ended 30 June 2017 of \$1,864,978 and experienced net cash outflows from operating activities of \$ 2,078,528. At 30 June 2017, the Group had a net current asset position of (\$26,529). The cash and cash equivalents balance at the date of issuing this report is \$ 292,398.

The Directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that the use of the going concern basis of accounting is appropriate for the following reasons;

- Subsequent to the end of the reporting period, the company has continued to sign-up additional customers, and has a significant pipeline of new opportunities.
- In August 2017 the Group was approved for Research and Development Tax Incentive claim with Ausindustry and anticipates receiving a tax refund of approximately \$ 429,550 for the year ended 30th June 2017. The Group received a short term loan facility of \$ 343,000 secured against this incentive on 9 August 2017.

IODM Limited

Notes to the Financial Statements *for the year ended 30th June 2017*

- On 8 August 2017 the consolidated entity announced a non-renounceable pro-rata entitlement offer to raise approximately \$ 1,000,000 before capital raising expenses. This offer is partially underwritten to the amount of \$ 700,000 by Domain Capital Pty Ltd.
- Based on the above, the directors have prepared cash flow forecasts which demonstrate that the company will generate sufficient cash flows to fund its activities for a period of not less than twelve months from the date of this report.

Based on the above, the directors are confident that the company will continue as a going concern, and it is appropriate to adopt that basis of accounting in this financial report.

IODM Limited
Notes to the Financial Statements for the year ended 30th June 2017

	2017	2016
	\$	\$
3. Cash and cash equivalents		
Reconciliation of operating loss after tax to net the cash flows used in operations		
Loss from ordinary activities after tax	(1,864,976)	(4,074,664)
Non-cash items		
Creditors settled for equity	-	879,014
Share based payments	-	2,184,921
Depreciation	7,067	-
Capital assets written off	40,504	-
Other	2,714	-
Changes in assets and liabilities		
Decrease/(increase) in trade and other receivables	86,481	(97,141)
Decrease/(increase) in prepayments	(5,270)	-
Decrease/(increase) in other assets	(20,800)	-
(Decrease)/ increase in trade creditors	(311,796)	367,487
(Decrease)/ increase on other creditors	(49,693)	-
(Decrease)/ increase in employee provisions	37,241	-
Net cash outflow from operating activities	(2,078,528)	(740,383)
Reconciliation of cash		
Cash balance comprises:		
Cash at bank	193,077	3,035,739
	<u>193,077</u>	<u>3,035,739</u>

4. Issued capital
(a) Issued and paid up capital

Ordinary shares fully paid	5,228,837	5,276,464
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	2017		2016	
	Number of shares	\$	Number of shares	\$
(b) Movements in ordinary shares on issue				
Opening Balance	331,510,670	5,276,464	-	-
Issue of seed capital	-	-	112,353	1,124
IODM Limited shares on issue at acquisition date	-	-	48,648,317	-
Shares issued under Prospectus	-	-	76,500,000	3,060,000
Shares issued to vendors	-	-	175,000,000	1,945,933
Shares issued to convertible noteholders	-	-	31,250,000	1,250,000
Shares issued on exercise of options	5,137	206	-	-
Transaction costs on share issues	-	(47,833)	-	(980,593)
	<u>331,515,807</u>	<u>5,228,837</u>	<u>331,510,670</u>	<u>5,276,464</u>

IODM Limited
Notes to the Financial Statements for the year ended 30th June 2017

	2017	2016
	\$	\$
5. Reserves		
Share based payments reserve	689,687	689,687
Total	<u>689,687</u>	<u>689,687</u>

Movements in Reserves:

<i>Share based payment reserve</i>		
At beginning of the period	689,687	-
Options issued to convertible noteholders	-	379,014
Options issued to broker	-	310,673
Balance at the end of the year	<u>689,687</u>	<u>689,687</u>

The share based payment reserve is used to record the value of equity benefits provided to convertible noteholders and the Company's broker during the year.

6. Subsequent events

On 8 August 2017 the Group announced it is undertaking a pro-rata non-renounceable issue of 3 fully paid ordinary shares (share) for each 8 shares held at an issue price of \$ 0.008 per new share to raise up to approximately \$ 1,000,000. (Rights Offer). The Rights Offer will be partially underwritten to the amount of \$ 700,000 by Melbourne based Domain Capital Pty Ltd.

7. Loss per share

Loss used in calculating basic and dilutive EPS	(1,864,978)	(4,074,664)
	Number of Shares	
	2017	2016
Weighted average number of ordinary shares used in calculating basic loss per share:	<u>331,513,486</u>	<u>175,433,192</u>
Effect of dilution:		
Share options	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted loss per share:	<u>331,513,486</u>	<u>175,443,192</u>

8. Contingent liabilities

There are no known contingent liabilities as at 30 June 2017 (2016: nil).