

RENT.COM.AU LIMITED

(formerly Select Exploration Limited)

ABN 25 062 063 692

Annual Report

For the transitional financial year
for the six months ended 30 June 2015

Corporate Information

This financial report includes the financial statements and notes of Rent.com.au Limited ('the Company') (formerly Select Exploration Ltd) and its controlled entities ('the Group'). The Group's functional presentation currency is AUD (\$).

A description of the Group's operations and of its principal activities is included in the review of operations and activities in the Directors' report on pages 2 to 21. The Directors' report is not part of the financial report.

Directors

Mr. Garry Garside	Non-Executive Chairman
Mr. Mark Woschnak	Managing Director
Mr. John Wood	Non-Executive Director
Mr. Sam McDonagh	Non-Executive Director
Mr. Philip Warren	Non-Executive Director

Joint Company Secretary

Mr. Johannes (Jan) Ferreira
Mr. Steven Wood

Registered Office

945 Wellington Street
WEST PERTH WA 6005

Share Registry

Automic Registry Services
Level 1, 7 Ventnor Ave
WEST PERTH WA 6005
Phone: 1300 288 664

Website

<http://investors.rent.com.au/>

Auditors

RSM Bird Cameron Partners
8 St Georges Terrace
Perth WA 6000

Bankers

Westpac Banking Corporation
Level 13, 109 St Georges Terrace
PERTH WA 6008

Commonwealth Bank of Australia
150 St Georges Terrace
PERTH WA 6000

Solicitors

GTP Legal
Level 1, 28 Ord Street
WEST PERTH WA 6005

Stock Exchange

Australian Securities Exchange Limited
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000
ASX Code: RNT

Directors' Report

The Board of Directors presents the following report on Rent.com.au Limited and its controlled entities (referred to hereafter as "the Group") for the six months ended 30 June 2015.

Directors

The names of the Directors in office during the financial period and until the date of this report are as follows. All directors were in office for the entire period unless otherwise stated:

Name	Position	Date of Appointment	Date of resignation
Mr. Ian Macliver	Non-Executive Chairman	14 September 2010	15 June 2015
Mr. Mark Titchener	Non-Executive Director	14 September 2010	15 June 2015
Mr. Philip Warren	Non-Executive Director	18 September 2014	-
Mr. Garry Garside	Non-Executive Chairman	15 June 2015	-
Mr. Mark Woschnak	Managing Director	15 June 2015	-
Mr. John Wood	Non-Executive Director	15 June 2015	-
Mr. Sam McDonagh	Non-Executive Director	15 June 2015	-

Principal Activities

The Group operates real estate websites focusing on the rental property market. The primary website operated by the Group is www.rent.com.au.

Review of Operations

The Consolidated Statement of Profit or Loss and Other Comprehensive Income shows a net operating loss after tax of \$3,655,771 for the six months ended 30 June 2015 (year ended 31 December 2014: \$1,647,509). The net operating loss for the six months ended 30 June 2015 included the following expenses associated with its relisting on the ASX:

• Restructuring/relisting expense	\$1,524,642
• Share based payments (advisor options)	\$893,971
• Corporate advisory costs	\$50,000

During the period the primary focus of the Group was on completing the acquisition of 100% of the share capital of Rent.com.au (Operations) Pty Ltd (formerly Rent.com.au Pty Ltd). This transaction was completed on 15 June 2015 and the Company relisted on the ASX on 23 June 2015. The Company also successfully raised \$5 million in new capital and at 30 June 2015 had \$4,453,304 in cash on hand and at bank after costs of the offer. The capital was raised to fund a national marketing campaign.

Ahead of launching this national marketing campaign, the Group has already grown traffic to its primary website to 1,237,352 unique visitors during the six months ended 30 June 2015, up 31% on the same six months in 2014. Revenue during the six months ended 30 June 2015 at \$171,197 (year ended 31 December 2014: \$294,045) reflected minimal marketing and branding activity which the national marketing campaign is intended to commence.

Dividends

No dividend has been paid or recommended by the Directors since the commencement of the financial period.

Significant Changes in State Of Affairs

On 23 June 2015, following completion of a reverse take-over of Select Exploration Limited, Rent.com.au listed on the ASX and successfully raised \$5 million in new capital to fund a national marketing campaign to commence commercialisation of the www.rent.com.au platform. This transaction resulted in the appointment of four new directors to the Board and required the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

Directors' Report (continued)

Events since the end of the Financial Year

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

Likely Developments and Expected Results

With the completion of the ASX listing late in the financial period, the Company has made an excellent start to its national marketing campaign and is trading in line with expectations. The campaign has three core objectives over the next 12 months:

- 1) Increasing the volume of renter traffic to 500,000 unique visitors per month;
- 2) Increasing levels of rental property listings from non-agent landlords; and
- 3) Increasing content from, and sales to, property agents.

Financial Position

The net assets of the Group have increased from \$476,798 at 31 December 2014 to \$4,218,549 at 30 June 2015.

Information on Directors

Mr. Ian Macliver	– Director (Non-Executive) <i>appointed 14 September 2010, resigned 15 June 2015.</i>
Age	55
Qualifications	– B.Com, FCA, SF Fin, FAICD
Experience	– Mr. Macliver is Managing Director of Grange Consulting Group Pty Ltd which provides specialist corporate advisory services to both listed and unlisted companies. He has many years' experience as a Senior Executive and Director of both resource and industrial companies, with particular responsibility for capital raising and other corporate initiatives.
Special responsibilities	– Non-executive Chairman
Interest in shares & options: Held in Rent.com.au Limited¹	– 347,631 shares (indirect) 14,189 options (\$11.67, 30 September 2015) (indirect)
Directorships held in other listed entities	– During the past three years Mr. Macliver's directorships in other listed entities are as follows: <ul style="list-style-type: none">▪ Western Areas NL (Non-executive director) 1 October 2011 to 21 November 2013,▪ Western Areas NL (Independent Non-executive Chairman) 21 November 2013 to present,▪ JCurve Solutions Ltd (formerly Stratatel Ltd) (Non-executive chairman) July 2000 to 31 October 2013,▪ Otto Energy Ltd (Non-executive director) January 2004 to present.▪ Range Resources Limited (non-executive director) 27 June 2014 to 13 August 2014

Directors' Report (continued)

Information on Directors (cont'd)

Mr. Mark Titchener	– Director (Non-Executive) <i>appointed 14 September 2010, resigned 15 June 2015.</i>
Age	57
Qualifications	– N/A
Experience	– Mark Titchener is a sophisticated investor specialising in investment strategies for early stage resource projects. Over the past 10 years he has participated in and advised on a significant number of listed and unlisted corporate transactions including capital raisings, reverse takeovers, restructures, seed investments and IPO's. Mark sits on a number of unlisted resource project boards as both a director and significant shareholder.
Special responsibilities	– None. Mr. Titchener was previously Executive Director however changed roles to Non-Executive Director from 10 March 2014 onwards.
Interest in shares & options: Held in Rent.com.au Limited¹	– 295,975 shares (indirect) 24,001 options (\$11.67, 30 September 2015) (indirect)
Directorships held in other listed entities	– None
Mr. Philip Warren	– Director (Non-Executive), <i>appointed 18 September 2014</i>
Age	– 41
Qualifications	– B. Com, Chartered Accountant
Experience	– Mr. Warren is an executive director of Grange Consulting Group Pty Ltd. He has over 18 years of experience in finance and corporate roles in Australia and Europe. Mr. Warren has specialised in company valuations, mergers and acquisitions, capital raisings, debt financing, financial management, corporate governance and company secretarial services for a number of public and private companies.
Special responsibilities	– None.
Interest in shares & options: Held in Rent.com.au Limited	– 94,432 shares 1,012,500 options (\$ 0.30, 23 June 2020) 37,501 listed options (\$12.00, 30 December 2016) 1,148 options (\$11.67, 30 September 2015)
Directorships held in other listed entities	– Non-Executive Director of Cassini Resources Limited

Directors' Report (continued)

Information on Directors (cont'd)

Mr. Garry Garside	– Chairman (Non-Executive) <i>appointed 15 June 2015</i>
Age	– 58
Qualifications	– MBBS CIH FAFOM MBA
Experience	– Mr. Garside has extensive corporate experience and has successfully established and operated a variety of significant businesses across both the health and corporate sectors. He currently manages an emerging property development company and chairs a range of unlisted investment syndicates and companies. Mr. Garside founded Prime Health Group in 1988 before merging with Westpoint Healthcare to form Endeavour Healthcare Limited in 2000 and becoming its Managing Director, a position he held until 2002.
Interest in shares & options Held in Rent.com.au Limited	– 1,497,775 Ordinary shares (indirect) 391,890 Ordinary shares escrowed 24 months (indirect) 872,073 Performance shares escrowed 24 months (indirect) 950,000 Employee options escrowed 24 months 334,239 Performance rights escrowed 24 months
Directorships held in other listed entities	– None
Mr. Mark Woschnak	– Managing Director <i>appointed 15 June 2015</i>
Age	– 48
Qualifications	– BBus
Experience	– Mr. Woschnak is the founder and current Managing Director of RENT. He has 25 years' experience in real estate, digital publishing and classifieds services. Mr. Woschnak developed RealWeb, a real estate online service, launched with Telstra in 1997 and also pioneered the range of Mobile Information Services used by Vodafone, Macquarie and LINK. Mr. Woschnak has a Bachelor of Business degree, has maintained a real estate license for 20 years, and was a ten year Associate of the Australian Property Institute.
Interest in shares & options Held in Rent.com.au Limited	– 881,296 Ordinary shares 5,573,447 Ordinary shares escrowed 24 months 2,978,838 Performance shares escrowed 24 months 28,000,000 Employee options escrowed 24 months (indirect) 9,851,223 Performance rights escrowed 24 months (indirect)
Directorships held in other listed entities	– None

Directors' Report (continued)

Information on Directors (cont'd)

Mr. John Wood	– Director (Non-Executive) <i>appointed 15 June 2015</i>
Age	– 49
Qualifications	– N/A
Experience	– Mr. Wood has extensive experience in retail, property, sales and marketing, business management and tourism. He is current the Managing Director of National Lifestyle Villages (NLV) a company he founded in 1999. Mr. Wood as CEO of NLV grew the business to win the prestigious Telstra WA Business of the Year award in 2007. He was also awarded the Rothwell's Young Entrepreneur Award and the West Australian Young Achievers Award. Prior to this Mr. Wood established and managed the growth of Fleetwood Corporation's manufactured homes division. He grew this business to be a market leader throughout the 1990's and was appointed an executive member of the industry association for 15 years in varying capacities including President.
Interest in shares & options Held in Rent.com.au Limited	– 950,000 Employee options escrowed 24 months 334,239 Performance rights escrowed 24 months
Directorships held in other listed entities	– Managing Director of National Lifestyle Villages (NLV)
Mr. Sam McDonagh	– Director (Non-Executive) <i>appointed 15 June 2015</i>
Age	– 44
Qualifications	– Chartered Accountant
Experience	– Mr. McDonagh has over 20 years' experience in senior management roles at companies including General Manager of eBay in Southeast Asia and Chief Sales and Marketing Officer for iiNet Limited. Mr. McDonagh co-founded online DVD rental and media business Quickflix in 2003 and is currently the Country Manager of Airbnb Australia and New Zealand
Interest in shares & options Held in Rent.com.au Limited	– 308,306 Ordinary shares (indirect) 122,229 Ordinary shares escrowed 24 months 73,518 Performance shares escrowed 24 months (indirect) 56,409 Performance shares escrowed 24 months 1,600,000 Employee options escrowed 24 months 562,926 Performance rights escrowed 24 months
Directorships held in other listed entities	– None

Directors' Report (continued)

Information on Directors (cont'd)

Directors' Meetings

The number of directors' meetings held and the number of meetings attended by each of the directors of the Company for the time the director held office during 6 Months to 30 June 2015:

	Number of Meetings Eligible to Attend	Number of Meetings Directors Attended
Ian Macliver	1	1
Mark Titchener	1	1
Philip Warren	1	1
Garry Garside	1	1
Mark Woschnak	1	1
John Wood	1	1
Sam McDonagh	1	1

Company Secretary

Steven Wood was appointed as a company secretary effective 18 September 2014. Steven specialises in corporate advisory, company secretarial and financial management services. Steven is a Chartered Accountant and has previously been involved in various private and seed capital raisings as well as successful ASX listings, whilst also providing company secretarial and financial management services to both ASX and unlisted public and private companies.

Jan Ferreira has been appointed as joint company secretary from 15 June 2015. Jan has over 20 years' experience, having held senior finance roles in financial services and utilities after starting his career at Ernst & Young. He is a CPA (Australia) and has a Certificate in Governance Practice from the Governance Institute of Australia. Mr. Ferreira has previously been Chief Financial Officer and Company Secretary at ASX listed ThinkSmart Limited where he was a key member of the team that created a patented online finance application system that doubled ThinkSmart's sales volumes through development of its online transactional capability.

Performance Shares

The terms and conditions of the Performance shares have been previously outlined in the Company's prospectus dated 7 April 2015. Please refer to section 6.9 Capital Structure of the Prospectus dated 7 April 2015 for any additional information that is not outlined in this report.

Directors' Report (continued)

Information on Directors (cont'd)

Performance Shares (cont'd)

As at the date of this report, Performance Shares on issue are as follows:

Class	Date Granted	Issue Price of Shares	Expiry Date	Number
A	17 June 2015	Nil	31 January 2019	8,160,771
B	17 June 2015	Nil	14 days after the release of the audited financial reports for period ended 31 December 2018	8,160,771
C	17 June 2015	Nil	14 days after the release of the audited financial reports for period ended 31 December 2019	8,160,771

The vesting conditions of the three classes of performance shares on issue as at 30 June 2015 are outlined below:

Class A – will convert on achievement of greater than 500,000 unique visitors to the website www.rent.com.au in each of three (3) consecutive months on or before 31 December 2018.

Class B – will convert on achievement of greater than \$10,000,000 in revenue by Rent in any 12 month period on or before 31 December 2018.

Class C – will convert on achievement of greater than \$3,000,000 EBITDA by Rent in any 12 month period on or before 31 December 2019.

Performance Rights

As at the date of this report, Performance Rights on issue are as follows:

Tranche	Date Granted	Issue Price of Shares	Expiry Date	Number
1	17 June 2015	Nil	31 January 2019	2,228,253
2	17 June 2015	Nil	14 days after the release of the audited financial reports for the period ended 31 December 2018.	2,228,253
3	17 June 2015	Nil	14 days after the release of the audited financial reports for the period ended 31 December 2019.	2,228,253
4	17 June 2015	Nil	31 January 2019.	1,883,559
5	17 June 2015	Nil	14 days after the release of the audited financial reports for the period ended 31 December 2018.	1,883,559
6	17 June 2015	Nil	4 days after the release of the audited financial reports for the period ended 31 December 2019.	1,883,559

The vesting conditions of the six tranches of performance rights on issue as at 30 June 2015 are outlined below:

Tranche 1 – will vest upon continuous employment with the group until 31 December 2016; achievement of greater than 500,000 unique visitors to the website www.rent.com.au in each of 3 consecutive months, on or before 31 December 2018.

Tranche 2 - will vest upon continuous employment with the group until 31 December 2016; achievement of greater than \$10,000,000 in revenue by Rent in any 12 month period on or before 31 December 2018.

Tranche 3 – will vest upon continuous employment with the group until 31 December 2016; achievement of greater than \$3,000,000 EBITDA by Rent in any 12 month period on or before 31 December 2019.

Directors' Report (continued)

Information on Directors (cont'd)

Performance Rights (cont'd)

Tranche 4 – will vest upon continuous employment with the group until 31 December 2016; achievement of greater than 500,000 unique visitors to the website www.rent.com.au in each of 3 consecutive months, on or before 31 December 2018.

Tranche 5 – will vest upon continuous employment with the group until 31 December 2016; achievement of greater than \$10,000,000 in revenue by Rent in any 12 month period on or before 31 December 2018.

Tranche 6 – will vest upon continuous employment with the group until 31 December 2016; achievement of greater than \$3,000,000 EBITDA by Rent in any 12 month period on or before 31 December 2019.

Indemnification of officers

During the financial period, the Company entered into a policy to indemnify directors and officers against certain liabilities incurred as a director or officer, including costs and expenses associated in successfully defending legal proceedings. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or an auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Non-Audit Services

Details of the amounts paid or payable to the auditor for non-audit services provided by the auditor are outlined in note 6 to the financial statements.

The Board considers non-audit services provided by the auditor in accordance with written advice provided by resolution of the Board to satisfy themselves that the provision of those non-audit services is compatible with, and does not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services are subject to the corporate governance procedures adopted by the Company and review of the audit committee to ensure they do not impact the integrity and objectivity of the auditor; and
- all non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Directors' Report (continued)

Shares under option

Unissued ordinary shares of Rent.com.au Limited under option as at 30 June 2015 are as follows:

Date Options Granted	Expiry Date	Issue Price of Shares	Number Under Option
1 November 2012	30 June 2016	\$0.36	60,007
1 November 2012	30 September 2015	\$0.35	200,002
1 February 2013	30 June 2016	\$0.36	30,000
27 February 2013	30 June 2016	\$0.36	22,500
27 February 2013	30 September 2015	\$0.35	623,538
3 May 2013	30 June 2016	\$0.36	3,000
17 June 2015	23 June 2020	\$0.30	7,000,000 ¹
17 June 2015	17 June 2020	\$0.25	19,000,000 ²
17 June 2015	17 June 2020	\$0.30	14,460,000 ³

1. Advisor options.

2. Employee options:

Tranche 1 – 10,000,000. Vest upon continuous employment with the group until 31 December 2016.

Tranche 2 – 4,500,000 Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.30 over 20 consecutive trading days.

Tranche 3 – 4,500,000 Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.40 over 20 consecutive trading days.

3. Employee options:

Tranche 4 – 4,820,001. Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.30 over 20 consecutive trading days.

Tranche 5 – 4,820,001. Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.40 over 20 consecutive trading days.

Tranche 6 – 4,819,998. Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.60 over 20 consecutive trading days.

Total unissued ordinary shares under option as at the date of this report is 41,399,047.

Shares issued on the exercise of options

There were two (2) ordinary shares of Rent.com.au Limited issued during the six months ended 30 June 2015, and up to the date of this report, on the exercise of options.

Directors' Report (continued)

Audited Remuneration report

The remuneration report is set out under the following main headings:

- A. Principles used to determine the nature and amount of remuneration
- B. Details of remuneration
- C. Service agreements
- D. Share-based compensation
- E. Additional information

A. Principles used to determine the nature and amount of remuneration

Remuneration Governance

The Board has elected to establish a remuneration committee in accordance with its Corporate Governance Policy.

The following items are considered and discussed as deemed necessary at the remuneration committee meetings:

- make specific recommendations to the board on remuneration of directors and senior officers;
- recommend the terms and conditions of employment for any Executive Directors;
- undertake a review of any Executive Director's performance, at least annually, including setting with the Executive Director goals for the coming year and reviewing progress in achieving those goals;
- consider and report on the recommendations and remuneration of any Executive Directors; and
- develop and facilitate a process for Board and Director evaluation.

Non-Executive Directors

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the remuneration committee.

Directors' Fees

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at \$250,000 per annum and was approved at a previous annual general meeting.

The following fees were paid since 1 January 2015:

Non-executive directors ¹ :	\$65,626
Managing director:	\$21,157

¹Fee paid in total to Ian Macliver (*resigned 15 June 2015*), Mark Titchener (*resigned 15 June 2015*), Garry Garside, John Wood, Sam McDonagh and Philip Warren.

Directors' Report (continued)

Audited Remuneration report (cont'd)

A. Principles used to determine the nature and amount of remuneration (cont'd)

Additional fees

A director may also be paid fees or other amounts as the directors determine if a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Retirement allowances for directors

Superannuation contributions required under the Australian Superannuation Guarantee Legislation continue to be made and are deducted from the directors' overall fee entitlements.

Executive pay

The executive pay and reward framework has the following components:

- base pay and benefits, including superannuation;
- car allowance;
- short-term incentives; and
- long-term incentives through participation in the Long Term Incentive Plan.

The combination of these comprises the executive's total remuneration.

Base pay

The employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for executives is reviewed annually to ensure the executives' pay is competitive with the market. An executive's pay is also reviewed every 12 months and may increase every 12 months.

Benefits

No benefits other than noted above are paid to directors or management except as incurred in normal operations of the business.

Long term incentives

Long term incentives have been provided to directors and employees through the issue of performance shares, employee options and performance rights during the 6 months to 30 June 2015.

At the annual general meeting of the Company, the Long Term Incentive Plan ('LTIP') was approved by shareholders. The LTIP allows the Company to provide incentives which promote the long term performance, growth and support of the Company.

Directors' Report (continued)

Audited Remuneration report (cont'd)

A. Principles used to determine the nature and amount of remuneration (cont'd)

The LTIP provides for the issuance of:

- (a) Performance Rights which, upon a determination by the Board that the performance conditions attached to the Performance Rights have been met, will result in the issue of one ordinary Share in the Company for each Performance Right; and
- (b) Plan Options which, upon a determination by the Board that the vesting conditions attached to the Plan Options have been met, will result in the Plan Options vesting and being able to be exercised into Shares by payment of the exercise price.

To achieve its corporate objectives, the Company needs to attract and retain its key staff. The Board believes that grants made to eligible participants under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the implementation of the Plan will:

- (a) enable the Company to recruit, incentivise and retain Key Management Personnel and other eligible Employees needed to achieve the Company's business objectives;
- (b) link the reward of key staff with the achievements of strategic goals and the long term performance of the Company;
- (c) align the financial interest of participants of the Plan with those of Shareholders; and
- (d) provide incentives to participants of the Plan to focus on superior performance that creates Shareholder value.

The key features of the Plan are as follows:

- (a) The Board will determine the number of Performance Rights and Plan Options (Plan Securities) to be granted to Eligible Employees (or their Affiliates) and the vesting conditions, expiry date of the Plan Securities and the exercise price of the Plan Options in its sole discretion.
- (b) The Plan Securities are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.
- (c) Subject to the Corporations Act and the Listing Rules and restrictions on reducing the rights of a holder of Plan Securities, the Board will have the power to amend the Plan as it sees fit.

Directors' Report (continued)

Audited Remuneration report (cont'd)

B. Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors and the key management personnel (as defined in AASB 124 Related Party Disclosures) of the Company are found below:

Director	Appointed	Resigned
Mr. Ian Macliver	14 September 2010	15 June 2015
Mr. Mark Titchener	14 September 2010	15 June 2015
Mr. Philip Warren	18 September 2014	-
Mr. Garry Garside	15 June 2015	-
Mr. Mark Woschnak	15 June 2015	-
Mr. John Wood	15 June 2015	-
Mr. Sam McDonagh	15 June 2015	-

KMP	Appointed	Resigned
Mr. Jan Ferreira	28 April 2014 ¹	-
Mr. David Berridge	1 March 2007 ¹	-
Mr. Rupert Quekett	14 July 2010 ¹	-

1. Became KMP of the Company upon completion of the reverse acquisition of Rent.com.au (Operations) Pty Ltd on 15 June 2015.

Key Management personnel and other executives of the Company

Details of remuneration for the six months ended 30 June 2015

KMP	Base Fee \$	Superannuation \$	Performance Rights \$	Options ¹ \$	Total \$	Percentage based on performance
Ian Macliver	20,000	-	-	-	20,000	0.00%
Mark Titchener	20,000	-	-	-	20,000	0.00%
Philip Warren	20,000	-	-	129,296	149,296	0.00%
Garry Garside	2,292	-	43	3,086	5,421	57.73%
Mark Woschnak	21,157	2,010	1,278	91,434	115,879	80.01%
John Wood	1,667	-	23	1,659	3,349	50.23%
Sam McDonagh	1,667	-	73	5,072	6,812	75.53%
Jan Ferreira	15,577	1,480	41	2,853	19,951	14.51%
David Berridge	9,363	889	73	-	10,325	0.71%
Rupert Quekett	9,742	926	37	2,536	13,241	19.43%
Total	121,465	5,305	1,568	235,936	364,274	29.71%

1. Options include both share based payments and advisor options.

Directors' Report (continued)

Audited Remuneration report (cont'd)

B. Details of remuneration (cont'd)

Performance Rights granted as part of remuneration for the period ended 30 June 2015.

KMP	Grant Date	Number Granted	Number vested at year end	Average fair value per performance share at grant date	Maximum total of grant yet to vest	Expiry date
Philip Warren	-	-	-	-	-	-
Garry Garside	17 June 2015	334,239	-	\$0.20	334,239	Various
Mark Woschnak	17 June 2015	9,851,223	-	\$0.20	9,851,223	Various
John Wood	17 June 2015	175,914	-	\$0.20	175,914	Various
Sam McDonagh	17 June 2015	562,926	-	\$0.20	562,926	Various
Jan Ferreira	17 June 2015	316,647	-	\$0.20	316,647	Various
David Berridge	17 June 2015	562,926	-	\$0.20	562,926	Various
Rupert Quekett	17 June 2015	281,463	-	\$0.20	281,463	Various
Total		12,085,338			12,085,338	

Options (share based payments and advisor options) granted as compensation to KMP for the period ended 30 June 2015.

KMP	Grant Date	Number Granted	Number vested at year end	% of grant vested	% of grant forfeited	Percentage compensation for the year consisting of shares
Philip Warren	17 June 2015	1,012,500	1,012,500 ¹	100%	-	87%
Garry Garside	17 June 2015	950,000	-	-	-	57%
Mark Woschnak	17 June 2015	28,000,000	-	-	-	79%
John Wood	17 June 2015	500,000	-	-	-	50%
Sam McDonagh	17 June 2015	1,600,000	-	-	-	74%
Jan Ferreira	17 June 2015	900,000	-	-	-	14%
David Berridge	17 June 2015	-	-	-	-	0%
Rupert Quekett	17 June 2015	800,000	-	-	-	19%
Total		33,762,500	1,012,500	-	-	65%

1. Subject to 24 month ASX escrow.

Details of remuneration for the 12 months ended 31 December 2014

Director	Base Fee \$	Superannuation \$	Other \$	Share Based Payment \$	Total \$	Percentage based on performance
Ian Macliver	40,000	-	-	-	40,000	-
Mark Titchener	45,000	-	-	-	45,000	-
Cherie Leeden	30,000	-	-	-	30,000	-
Philip Warren	11,444	-	-	-	11,444	-
Total	126,444	-	-	-	126,444	-

Directors' Report (continued)

Audited Remuneration report (cont'd)

C. Service agreements

Remuneration and other terms of employment for the Managing Director and other Key Management Personnel are formalised in employment contracts. Other major provisions of the agreements relating to remuneration are set out below:

Mark Woschnak, Managing Director:

- No set term of agreement, will continue in accordance with provisions in Executive Service Agreement.
- Base salary, exclusive of superannuation, to be \$300,000 per annum upon the Company's re-compliance and re-admission on ASX
- \$20,000 car allowance per annum
- The number of performance rights and employee options under the Long Term Incentive Plan
- A payment based on a percentage of the Base Salary on the achievement of key performance indicators to be set by the Company, having regard to the financial position and performance of the Group, under a short term incentive plan to be implemented by the Company following the completion of the acquisition of Rent.com.au Pty Ltd.

Jan Ferreira, Chief Financial Officer and Joint Company Secretary

- Mr. Ferreira's Executive Services Agreement for the position of Chief Financial Officer and Company Secretary has no fixed period and may be terminated by provision of six months prior written notice by either party.
- Upon the Company's re-compliance and re-admission on ASX Mr. Ferreira received a base salary of \$225,000 per annum, plus statutory superannuation entitlements.
- Mr. Ferreira will be eligible to participate in the Long Term Incentive Plan and was issued 900,000 Employee Options and 316,647 Performance Rights.
- Mr. Ferreira will also be eligible to participate in the short term incentive scheme which RENT is proposing to implement following completion of the Offers. The Board will determine a percentage of base salary that may be payable to Mr. Ferreira on the achievement of key performance indicators to be set having regard to the financial position and performance of the Group.

Rupert Quekett, Head of IT

- Mr. Quekett's Executive Services Agreement for the position of Head of IT has no fixed period and may be terminated by provision of six months prior written notice by either party.
- Upon the Company's re-compliance and re-admission on ASX Mr. Quekett received a base salary of \$140,000 per annum, plus statutory superannuation entitlements.
- Mr. Quekett will be eligible to participate in the Long Term Incentive Plan and was issued 800,000 Employee Options and 281,463 Performance Rights.
- Mr. Quekett will also be eligible to participate in the short term incentive scheme which RENT is proposing to implement following completion of the Offers. The Board will determine a percentage of base salary that may be payable to Mr. Quekett on the achievement of key performance indicators to be set having regard to the financial position and performance of the Group.

Directors' Report (continued)

Audited Remuneration report (cont'd)

C. Service agreements (cont'd)

David Berridge, National Agent Services Manager

- Mr. Berridge's Executive Services Agreement for the position of National Agent Services Manager has no fixed period and may be terminated by provision of three months prior written notice by either party.
- Upon the Company's re-compliance and re-admission on ASX Mr. Berridge received a base salary of \$132,000 per annum, plus statutory superannuation entitlements.
- Mr. Berridge will be eligible to participate in the Long Term Incentive Plan and was issued 562,926 Performance Rights.
- Mr. Berridge will also be eligible to participate in the short term incentive scheme which RENT is proposing to implement following completion of the Offers. The Board will determine a percentage of base salary that may be payable to Mr. Berridge on the achievement of key performance indicators to be set having regard to the financial position and performance of the Group.

The non-executive directors are subject to service agreements which cover relevant provisions including term, fees, independence, re-election and the role requirements.

D. Share-based compensation

Other than outlined above, Rent.com.au Limited paid no share-based compensation during the period.

E. Additional Information

Equity instruments held by Key Management Personnel

1. Options

The number of options over ordinary shares held by each KMP of the Company during the financial period is as follows:

6 Months to 30 June 2015	Balance at start of the period	Granted during the period	Exercised during the period	Other changes during the period	Balance at 30 June 2015	Vested during the period	Vested and exercisable	Vested and unexercisable
Ian Macliver ¹	14,189 ²	-	-	-	14,189	-	14,189	-
Mark Titchener ¹	24,001 ²	-	-	-	24,001	-	24,001	-
Philip Warren	38,649 ²	1,012,500	-	-	1,051,149	1,012,500	38,649	1,012,500 ³
Garry Garside	-	950,000	-	-	950,000	-	-	-
John Wood	-	500,000	-	-	500,000	-	-	-
Mark Woschnak	-	28,000,000	-	-	28,000,000	-	-	-
Sam McDonagh	-	1,600,000	-	-	1,600,000	-	-	-
Jan Ferreira	-	900,000	-	-	900,000	-	-	-
David Berridge	-	-	-	-	-	-	-	-
Rupert Quekett	-	800,000	-	-	800,000	-	-	-
Total	76,839	33,762,500	-	-	33,839,339	1,012,500	76,839	1,012,500

1. Mr. Macliver and Mr. Titchener resigned as directors on 15 June 2015.
2. Post 33.333 to 1 consolidation
3. Subject to ASX escrow.

Directors' Report (continued)

Audited Remuneration report (cont'd)

E. Additional Information (cont'd)

12 Months to 31 December 2014	Balance at beginning of year	Granted during the year	Exercised during the year	Other changes during the year	Balance at end of year	Vested during the year	Vested and exercisable	Vested and unexercisable
Ian Macliver	472,920	-	-	-	472,920	-	472,920	-
Mark Titchener	800,000	-	-	-	800,000	-	800,000	-
Cherie Leeden ¹	57,121	-	-	(57,121)	-	-	-	-
Philip Warren	-	-	-	1,288,234 ²	1,288,234	-	1,288,234	-
Total	1,330,041	-	-	1,231,113	2,561,154	-	2,561,154	-

1. Ms Leeden resigned during the period.
2. Mr. Warren held this balance upon his appointment as director.

2. Shareholdings

The number of ordinary shares in Rent.com.au Limited held by each KMP of the Company during the 6 months to 30 June 2015 is as follows:

6 Months to 30 June 2015	Balance at beginning of the period	Granted as remuneration during the period	Issued on exercise of options during the period	Other changes during the period	Balance at 30 June 2015
Ian Macliver ¹	347,631 ²	-	-	(347,631)	-
Mark Titchener ¹	529,675 ²	-	-	(529,675)	-
Philip Warren	44,432 ²	-	-	50,000	94,432
Garry Garside	-	-	-	1,889,665	1,889,665
John Wood	-	-	-	8,432,219	8,432,219
Mark Woschnak	-	-	-	6,454,743	6,454,743
Sam McDonagh	-	-	-	122,229	122,229
Jan Ferreira	-	-	-	34,046	34,046
David Berridge	-	-	-	273,825	273,825
Rupert Quekett	-	-	-	9,900	9,900
Total	921,738	-	-	16,389,321	17,311,059

1. Mr. Macliver and Mr. Titchener resigned as directors on 15 June 2015.
2. Post 33.333 to 1 consolidation

31 December 2014	Balance at beginning of year	Granted as remuneration during year	Issued on exercise of options during year	Other changes during year	Balance at end of year
Ian Macliver	2,837,523	-	-	8,750,000	11,587,523
Mark Titchener	2,200,000	-	-	13,955,610	16,155,610
Cherie Leeden	114,242	-	-	(114,242)	-
Philip Warren	-	-	-	1,481,000	1,481,000
Total	5,151,765	-	-	24,072,368	29,224,133

Directors' Report (continued)

Audited Remuneration report (cont'd)

E. Additional Information (cont'd)

3. Performance Rights

The number of performance rights in Rent.com.au Limited held by each KMP of the company during the 6 months to 30 June 2015 is as follows:

6 Months to 30 June 2015	Balance at start of the period	Received as Remuneration	Performance Rights Converted	Other Movements	Balance at 30 June 2015	Vested and Exercisable at 30 June 2015	Unvested at 30 June 2015
Philip Warren	-	-	-	-	-	-	-
Garry Garside	-	334,239	-	-	334,239	-	334,239
John Wood	-	175,914	-	-	175,914	-	175,914
Mark Woschnak	-	9,851,223	-	-	9,851,223	-	9,851,223
Sam McDonagh	-	562,926	-	-	562,926	-	562,926
Jan Ferreira	-	316,647	-	-	316,647	-	316,647
David Berridge	-	562,926	-	-	562,926	-	562,926
Rupert Quekett	-	281,463	-	-	281,463	-	281,463
Total	-	12,085,338	-	-	12,085,338	-	12,085,338

4. Performance Shares

Performance shares were issued as consideration to the vendors of Rent.com.au. The number of performance shares in Rent.com.au Limited held by each KMP of the company during the 6 months to 30 June 2015 is as follows:

6 Months to 30 June 2015	Balance at start of the period	Received as Remuneration	Performance Shares Converted	Other Movements	Balance at 30 June 2015	Vested and Exercisable at 30 June 2015	Unvested at 30 June 2015
Philip Warren	-	-	-	-	-	-	-
Garry Garside	-	-	-	872,073	872,073	-	872,073
John Wood	-	-	-	7,758,137	7,758,137	-	7,758,137
Mark Woschnak	-	-	-	2,978,838	2,978,838	-	2,978,838
Sam McDonagh	-	-	-	56,409	56,409	-	56,409
Jan Ferreira	-	-	-	13,615	13,615	-	13,615
David Berridge	-	-	-	126,369	126,369	-	126,369
Rupert Quekett	-	-	-	-	-	-	-
Total	-	-	-	11,805,441	11,805,441	-	11,805,441

Directors' Report (continued)

Audited Remuneration report (cont'd)

E. Additional Information (cont'd)

Other KMP Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

	30 June 2015
	\$
<i>Transactions:</i>	
Company secretarial fee - Grange Consulting[1]	3,150
Rental expense - Prime Health Group Property Trust[2]	24,321
Interest expense -Prime Health Group Property Trust[2]	64,499
Other expenses [2]	5,607
<i>Balances:</i>	
Amount due to Prime Health Group Property Trust[2]	359,540
Amount due to Sealcrest Pty Ltd[2]	697

[1] Philip Warren is a director and shareholder.

[2] Garry Garside is a director of Sealcrest Pty Ltd atf Prime Health Group Property Trust.

There have been no other transactions involving equity instruments other than those described in the tables above.

Voting and comments made at the Company's 2014 Annual General Meeting

In accordance with Listing Rule 3.13.2, it is confirmed that the following resolutions put to the AGM of Rent.com.au Limited shareholders, held on 20 May 2015, were carried unanimously on a show of hands:

Resolution 1:	Adoption of Remuneration Report
Resolution 2:	Re-election of Mr. Ian Macliver as Director (<i>resigned 15 June 2015</i>)
Resolution 3:	Re-election of Philip Warren as a Director
Resolution 4:	Change of Auditor
Resolution 5:	Change to scale and nature of activities
Resolution 6:	Approval of Acquisition of Rent.com.au Pty Ltd
Resolution 7:	Approval of Performance Shares
Resolution 8:	Authority to issue Capital Raising Shares
Resolution 9:	Approval of Share Consolidation
Resolution 10:	Change of Company Name
Resolution 11:	Appointment of Mr. Mark Woschnak as a Director
Resolution 12:	Appointment of Mr. Garry Garside as a Director
Resolution 13:	Appointment of Mr. Sam McDonagh as a Director
Resolution 14:	Appointment of Mr. John Wood as a Director
Resolution 15:	Authority for Mr. Ian Macliver to participate in the Capital Raising
Resolution 16:	Authority for Mr. Mark Titchener to participate in the Capital Raising
Resolution 17:	Authority for Mr. Philip Warren to participate in the Capital Raising
Resolution 18:	Authority to grant Advisor Options
Resolution 19:	Authority to grant Advisor Options to Related Parties
Resolution 20:	Adoption of Rent.com.au Long Term Incentive Plan

Directors' Report (continued)

Audited Remuneration report (cont'd)

E. Additional Information (cont'd)

- Resolution 21: Approval of grant of Plan Securities to Mr. Mark Woschnak
Resolution 22: Approval of grant of Plan Securities to Mr. Garry Garside
Resolution 23: Approval of grant of Plan Securities to Mr. John Wood
Resolution 24: Approval of grant of Plan Securities to Mr. Samuel McDonagh

This report of Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of Directors.

No remuneration consultants were used by the Group during the period, however the Group has structured the executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

[End of the Audited Remuneration Report]

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001.

The lead auditor's independence declaration is set out on the following page for the six months ended 30 June 2015.

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



Mr. Garry Garside
Non-executive Chairman
24 August 2015

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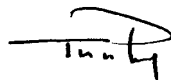
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Rent.com.au Limited for the six month period ended 30 June 2015, 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 audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 24 August 2015

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
RENT.COM.AU LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Rent.com.au Limited, which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6 month period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the period's end or from time to time during the period.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the 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 financial report that is free from material misstatement, whether due to fraud or error. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Rent.com.au Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Rent.com.au Limited is in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the 6 month period ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1(a).

Report on the Remuneration Report

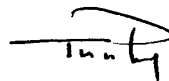
We have audited the Remuneration Report included within the directors' report for the 6 month period ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Rent.com.au Limited for the 6 month period ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 24 August 2015

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2015

	Note	Consolidated 6 Months to 30 June 2015	12 Months to 31 December 2014
		\$	\$
Revenue	2	171,197	294,045
Other Income		3,064	160,244
		<u>174,261</u>	<u>454,289</u>
Administration charges		(188,624)	(235,690)
Consulting and business development costs		(120,790)	(508,987)
Depreciation and amortisation		(132,120)	(205,410)
Employee benefits expense		(461,251)	(694,279)
Finance charges		(66,841)	(3,703)
Restructuring/relisting expense	10	(1,524,642)	-
Share based payment expense	23	(1,007,983)	-
Others	3	(327,781)	(453,729)
Loss before income tax		(3,655,771)	(1,647,509)
Income tax benefit/expense	4	-	-
Loss after Income Tax		(3,655,771)	(1,647,509)
Other comprehensive income		-	-
Total comprehensive (loss) attributable to owners of Rent.com.au Limited		(3,655,771)	(1,647,509)
Earnings per share for loss from continuing operations attributable to the ordinary equity holders of the company:			
Basic and diluted (loss) per share (cents per share)	7	(6.62)	(3.75)

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

Consolidated Statement of Financial Position

As at 30 June 2015

	Note	Consolidated 30 June 2015 \$	31 December 2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	4,453,304	488,231
Trade and other receivables	9	156,967	152,593
TOTAL CURRENT ASSETS		4,610,271	640,824
NON-CURRENT ASSETS			
Plant and equipment	15	15,685	14,075
Intangible assets	16	549,587	478,391
TOTAL NON-CURRENT ASSETS		565,272	492,466
TOTAL ASSETS		5,175,543	1,133,290
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	345,427	519,833
Employee benefits	17	256,606	136,659
TOTAL CURRENT LIABILITIES		602,033	656,492
NON-CURRENT LIABILITIES			
Trade and other payables	12	354,961	-
TOTAL NON-CURRENT LIABILITIES		354,961	-
TOTAL LIABILITIES		956,994	656,492
NET ASSETS		4,218,549	476,798
EQUITY			
Issued capital	13	16,773,963	10,384,424
Reserve	11	1,007,983	-
Accumulated losses	18	(13,563,397)	(9,907,626)
TOTAL EQUITY		4,218,549	476,798

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

Consolidated Statement of Changes in Equity

12 Months to 31 December 2014		Issued Capital	Share based payment reserve	Accumulated Losses	Total
	Note	\$	\$	\$	\$
Balance at 1 January 2014		9,564,444	-	(8,260,117)	1,304,327
Total loss for the year		-	-	(1,647,509)	(1,647,509)
Total comprehensive income/(loss) for the year		-	-	(1,647,509)	(1,647,509)
Transaction with owners in their capacity as owners:					
Shares issued		819,980	-	-	819,980
		819,980	-	-	819,980
Balance at 31 December 2014		10,384,424	-	(9,907,626)	476,798
For the six months ended 30 June 2015 Consolidated		Issued Capital	Share based payment reserve	Accumulated Losses	Total
	Note	\$	\$	\$	\$
Balance at 1 January 2015		10,384,424	-	(9,907,626)	476,798
Total loss for the year		-	-	(3,655,771)	(3,655,771)
Total comprehensive income/(loss) for the year		-	-	(3,655,771)	(3,655,771)
Transaction with owners in their capacity as owners:					
Shares issued		40,000	-	-	40,000
Elimination of existing investment in Rent.com.au (Operations) Pty Ltd		(250,000)	-	-	(250,000)
Issue of shares for acquisition of subsidiary		1,949,539	-	-	1,949,539
Share based payments		-	1,007,983	-	1,007,983
Shares issued		5,000,000	-	-	5,000,000
Share issue costs		(350,000)	-	-	(350,000)
		6,389,539	1,007,983	-	7,397,522
Balance at 30 June 2015		16,773,963	1,007,983	(13,563,397)	4,218,549

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the six months ended 30 June 2015

	Note	Consolidated	
		6 Months to 30 June 2015 \$	12 Months to 31 December 2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		118,797	360,667
Payments to suppliers and employees		(973,692)	(1,754,756)
Interest received		3,064	4,357
Interest paid		(66,841)	(3,703)
Other income		137,705	81,551
Net cash used in operating activities	22	(780,967)	(1,311,884)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(4,751)	(7,486)
Payments for development costs		(200,176)	(211,876)
Acquisition of subsidiary, net cash acquired	10	260,967	-
Net cash used in investing activities		56,040	(219,362)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		5,040,000	1,683,980
Share issue costs		(350,000)	-
Net cash provided by financing activities		4,690,000	1,683,980
Net increase in cash held		3,965,073	152,735
Cash and cash equivalents at beginning of financial period/year		488,231	335,496
Cash and cash equivalents at end of financial period/year		4,453,304	488,231

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

Notes to the Consolidated Financial Statements

This financial report of Rent.com.au Limited (“company”) and its controlled entities (“consolidated entity” or “the Group”) for the period ended 30 June 2015 was authorised for issue in accordance with a resolution of the Directors on 21 August 2015.

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

1. Summary of Significant Accounting Policies

a) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report has been prepared on an accrual 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. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed within these financial statements.

Compliance statement

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

The presentation currency is Australian dollars.

Reverse Acquisition accounting

On 15 June 2015, Rent.com.au Limited (formerly Select Exploration Limited), the legal parent and legal acquirer, completed the acquisition of Rent.com.au (Operations) Pty Ltd (previously Rent.com.au Pty Ltd) (“Rent.com.au Subsidiary”). The acquisition did not meet the definition of a business combination in accordance with AASB 3 Business Combinations. Instead the acquisition has been treated as a group recapitalisation, using the principles of reverse acquisition accounting in AASB 3 Business Combinations given the substance of the transaction is that Rent.com.au Subsidiary has effectively been recapitalised. Accordingly, the consolidated financial statements have been prepared as if Rent.com.au Subsidiary has acquired Rent.com.au Limited, not vice versa as represented by the legal position. The recapitalisation is measured at the fair value of the equity instruments that would have been given by Rent.com.au Subsidiary to have exactly the same percentage holding in the new structure at the date of the transaction.

The impact of the group restructure on each of the primary statements is as follows:

Statement of Profit or Loss and Other Comprehensive Income

- The 30 June 2015 consolidated statements comprise 6 months of Rent.com.au Subsidiary and 15 days of Rent.com.au Limited.
- The 31 December 2014 comparative statements comprise 12 months of Rent.com.au Subsidiary.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

a) Basis of Preparation (continued)

Statement of Financial Position

- The consolidated statement of financial position as at 30 June 2015 represents both Rent.com.au Limited and Rent.com.au Subsidiary.
- The comparative statement of financial position at 31 December 2014 represents Rent.com.au Subsidiary.

Statement of Changes in Equity

- The 30 June 2015 consolidated changes in equity comprises Rent.com.au Subsidiary's equity balance at 1 January 2015, its loss for the period and transactions with equity holders for the 6 months. It also comprises Rent.com.au Limited's transactions with equity holders in the past 15 days from the acquisition date and the equity balances of Rent.com.au Limited and Rent.com.au Subsidiary as at 30 June 2015.
- The 31 December 2014 statement of changes in equity comprises 12 months of Rent.com.au Subsidiary.

New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

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

b) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Rent.com.au Limited at the end of the reporting period. A controlled entity is any entity over which Rent.com.au Limited has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

c) Income Tax

The income tax expense/ (revenue) for the year comprises current income tax expense/ (income) and deferred tax expense/ (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities/ (assets) are therefore measured at the amounts expected to be paid to/ (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense/ (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

d) Leases

Lease payments for operating leases where substantially all of the risks and benefits are charged as expenses remain with the lessor, in the periods in which they are incurred.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

e) Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise they are classified as non-current. Gains or losses arising from changes in fair value of financial assets at fair value through profit or loss are presented in statement of profit or loss within other income in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

f) Impairment of Assets

At each reporting date, or more frequently if events or changes in circumstances indicate that they might be impaired, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Non-financial assets other than goodwill that suffered any impairment are reviewed for possible reversal of impairment at the end of each reporting period.

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

h) Revenue Recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Subscription services

Subscription revenues are recognised on a straight-line basis over the contract period.

Listing fees

Listing fees are recognised when the customer places an advertisement leading to an enforceable claim by the Group.

Products and services revenue

Products and services revenue is recognised at the point of sale. Amounts disclosed are net of returns and discounts.

Advertising revenue

Revenues from site display advertising are recognised when the advertisements are displayed. Where the Group has utilised the services of an external sales agency to sell advertising services on behalf of the Group, the revenues are recorded net of the sales commissions paid to the sales agency. Revenues from database advertising are recognised when the obligations under the relevant contract are fulfilled.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

j) Trade and Other Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

Receivables from related parties are recognised and carried at the normal amount due. Interest is taken up as income on an accrual basis.

k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l) Comparative Figures

The comparative financial information presented as of and for the twelve months ended 31 December 2014 is for Rent.com.au (Operations) Pty Ltd.

Where required by accounting standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

m) Contributed Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

n) Earnings Per Share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares

By the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

o) Foreign Currency Translation

The Group's functional presentation currency is AUD (\$). The Group is not exposed to foreign exchange risk as a result of not having any expenditure requirements in its operations. Non-monetary items that are measured at fair value in a foreign currency would be translated using the exchange rates at the date when the fair value was determined.

Translation differences on assets and liabilities carried at fair value would be reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities whose changes in the fair value are presented in other comprehensive income are included in the related reserve in equity.

p) Employee Benefits

(i) *Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) *Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) *Share-based payments*

Share-based compensation benefits are provided to employees via the Rent.com.au Limited Long Term Incentive Plan.

The fair value of options granted under the Rent.com.au Limited Long Term Incentive Plan are recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

p) Employee Benefits (continued)

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

q) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

r) Business Combination

The acquisition method of accounting is used to account for all business combinations. Consideration is measured at the fair value of the assets transferred, liabilities incurred and equity interests issued by the company on acquisition date. Consideration also includes the acquisition date fair values of any contingent consideration arrangements, any pre-existing equity interests in the acquiree and share-based payment awards of the acquiree that are required to be replaced in a business combination. The acquisition date is the date on which the Group obtains control of the acquiree.

Where equity instruments are issued as part of the consideration, the value of the equity instruments is their published market price at the acquisition date unless, in rare circumstances it can be demonstrated that the published price at acquisition date is not fair value and that other evidence and valuation methods provide a more reasonable measure of fair value.

Identifiable assets acquired and liabilities and contingent liabilities assumed in business combinations are, with limited exceptions, initially measured at their fair values at acquisition date. Goodwill represents the excess of the consideration transferred and the amount of the non-controlling interest in the acquiree over fair value of the identifiable net assets acquired. If the consideration and non-controlling interest of the acquiree is less than the fair value of the net identifiable assets acquired, the difference is recognised in profit or loss as a bargain purchase price, but only after a reassessment of the identification and measurement of the net assets acquired. For each business combination, the company measures non-controlling interests at either fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed when incurred. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

r) Business Combination (cont'd)

Where the company obtains control of a subsidiary that was previously accounted for as an equity accounted investment in associate or jointly controlled entity, the company remeasures its previously held equity interest in the acquiree at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss. Where the company obtains control of a subsidiary that was previously accounted for as an available-for-sale investment, any balance on the available-for-sale reserve related to that investment is recognised in profit or loss as if the company had disposed directly of the previously held interest.

Where settlement of any part of the cash consideration is deferred, the amounts payable in future are discounted to present value at the date of exchange using the entity's incremental borrowing rate as the discount rate.

Assets and liabilities from business combinations involving entities or businesses under common control are accounted for at the carrying amounts recognised in the controlling shareholder's consolidated financial statements.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

s) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss and other comprehensive income.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

t) Critical accounting estimates and judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

u) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

Computer equipment	2-4 years
Furniture and Fittings	4 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

v) Intangible assets

IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

These intangible assets have finite lives and are subject to amortisation on a straight line basis. The useful lives for these assets are as follows:

Software	4 years
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Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved services) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible asset and amortised from the point of which the asset is ready for use on a straight line basis over its useful life of 4 years.

w) Segment Reporting

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

The Group operates in one industry, being information technology, by way of an online rental real estate portal.

x) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2015. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

x) New Accounting Standards and Interpretations not yet mandatory or early adopted (continued)

the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Group will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed.

Notes to the Consolidated Financial Statements (continued)

2. Revenue

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Revenue		
Agent fee	18,061	49,065
Private listings	45,712	92,711
Product and services	66,225	92,326
Advertising	41,199	59,943
Total Revenue	171,197	294,045

3. Expenses

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Information technology costs	(61,446)	(99,119)
Other cost of sales	(27,140)	(54,798)
Sales and marketing	(239,195)	(299,812)
Total	(327,781)	(453,729)

Notes to the Consolidated Financial Statements (continued)

4. Income Tax

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
a) The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
Total	-	-
b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on loss from ordinary activities before income tax at 30% (31 December 2014: 30%)	(1,096,731)	(494,252)
Tax effect of:		
Share based payments	302,395	-
Listing expenses	457,393	-
Tax losses not recognised	336,943	494,252
Total	-	-
The applicable weighted average effective tax rates are as follows:	0%	0%
c) Deferred tax assets at 30 June 2015 not brought to account are:		
Carried forward losses	3,082,663	2,659,035

The benefit for tax losses will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; and
- the losses are transferred to an eligible entity in the Group; and
- the Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect the consolidated in realising the benefit from the deduction for the losses.

Notes to the Consolidated Financial Statements (continued)

5. Interests of Key Management Personnel (KMP)

Compensation of Key Management Personnel

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel for the period ended 30 June 2015.

The aggregate compensation made to key management personnel of the economic and Parent Entity is set out below:

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Short-term employee benefits	121,465	126,444
Post-employment benefits	5,305	-
Share based payments	237,504	-
	364,274	126,444

6. Auditor's Remuneration

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Remuneration of the auditor of the entity:		
▪ Auditing or reviewing of the financial report		
– RSM Bird Cameron Partners	32,500	9,166
▪ Taxation and corporate services		
– RSM Bird Cameron	6,880	5,040
Total	39,380	14,206

7. Earnings per Share

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Basic and diluted (loss) per share	(6.62)	(3.75)
a) Reconciliation of earnings to profit or loss		
Net (loss) for the period/year	(3,655,771)	(1,647,509)
(Loss) used in the calculation of basic EPS	(3,655,771)	(1,647,509)
b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	55,191,865	43,982,787

Options have not been included in the calculation of dilutive EPS as the options are anti-dilutive.

Notes to the Consolidated Financial Statements (continued)

8. Cash and Cash Equivalents

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Cash at bank and in hand	4,453,304	488,231

The effective interest rate on short-term bank deposits was 1.87% (31 December 2014: 2.04%).

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	4,453,304	488,231
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Cash at bank and in hand earns interest at floating rates based on daily bank rates.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

9. Trade and Other Receivables

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Current		
Trade debtors	58,802	143,380
GST receivable	98,165	9,213
	156,967	152,593

As at 30 June 2015 there were no trade and other receivables past due or impaired.

Credit Risk – Trade and Other Receivables

The Group has no significant concentration of credit risk with respect to any single counter party other than Australian Taxation Office. The class of assets described as trade and other receivables is considered to be the main source of credit risk related to the Group.

All trade and other receivables are within initial trade terms and considered to be of high credit quality.

Notes to the Consolidated Financial Statements (continued)

10. Controlled Entities

All controlled entities are included in the consolidated financial statements. The parent entity does not guarantee to pay the deficiency of its controlled entities in the event of a winding up of any controlled entity. The financial year end of the controlled entity is the same as that of the parent entity, being 30 June.

	Country of Incorporation	Principal Activity	Percentage Owned (%)	
			2015	2014
Parent Entity				
Rent.com.au Limited	Australia	Investment/Parent		
Name of controlled entity				
Rent.com.au (Operations) Pty Ltd	Australia	Information Technology	100	-
Interest in Associate:				
Time Finance and Homeloans Pty Ltd	Australia	Dormant	25	25

Acquisition of Controlled Entity

On 15 June 2015, Rent.com.au Limited (formerly Select Exploration Limited), the legal parent and legal acquirer, completed the acquisition of Rent.com.au (Operations) Pty Ltd (formerly Rent.com.au Pty Ltd) (Rent.com.au Subsidiary). The acquisition did not meet the definition of a business combination in accordance with AASB 3 Business Combinations. Instead the acquisition has been treated as a group recapitalisation, using the principles of reverse acquisition accounting in AASB 3 Business Combinations given the substance of the transaction is that Rent.com.au Subsidiary has effectively been recapitalised. Accordingly, the consolidated financial statements have been prepared as if Rent.com.au Subsidiary had acquired Rent.com.au Limited, and not versa as represented by the legal position. The recapitalisation is measured at the fair value of the equity instruments that would have been given by Rent.com.au Subsidiary to have exactly the same percentage holding in the new structure at the date of the transaction.

As the activities of Rent.com.au Limited would not constitute a business based on the requirements of AASB 3, the transaction has been accounted for as a share based payment under AASB 2. The excess of the deemed consideration over the fair value of Rent.com.au Limited, as calculated in accordance with the reverse acquisition accounting principles and with AASB 2, is considered to be a payment for a group restructure and has been expensed.

Rent.com.au Limited is the legal acquirer of Rent.com.au Subsidiary in this transaction and the consideration for the acquisition was the issue by Rent.com.au Limited of:

- 53,049,895 fully paid ordinary shares in Rent.com.au Limited in accordance with reverse asset acquisition accounting principles the consideration is deemed to have been incurred by Rent.com.au Subsidiary in the form of equity instruments issued to Rent.com.au Limited shareholders. The acquisition date fair value of this consideration has been determined with reference to the fair value of the issued shares of Rent.com.au limited immediately prior to the acquisition and has been determined to be \$1,949,539; and

Notes to the Consolidated Financial Statements (continued)

10. Controlled Entities (cont'd)

- 24,482,313 Performance Shares, comprising 8,160,771 Class A Performance Shares, 8,160,771 Class B Performance Shares and 8,160,771 Class C Performance Shares. The fair value of these performance shares has been included as part of the consideration for the transaction in accordance with the relevant accounting standard.
 - (Conversion on achievement of Milestone A) On achievement of greater than 500,000 unique visitors to the website rent.com.au in each of 3 consecutive months on or before 31 December 2018 (Milestone A), each Class A Performance Share will convert on a one for one basis into a Share.
 - (A Expiry) Milestone A must be achieved on or before 5.00 pm on 31 January 2019 (A Expiry Date).
 - (Conversion on achievement of Milestone B) On achievement of greater than \$10,000,000 in revenue by Rent in any 12 month period on or before 31 December 2018 (Milestone B), each Class B Performance Share will convert on a one for one basis into a Share.
 - (B Expiry) Milestone B must be achieved on or before 5.00 pm on the date which is 14 days after the release of the audited financial reports for period ended 31 December 2018 (B Expiry Date)
 - (Conversion on achievement of Milestone C) On achievement of greater than \$3,000,000 in EBITDA by Rent in any 12 month period on or before 31 December 2019 (Milestone C), each Class C Performance Share will convert on a one for one basis into a Share.
 - (C Expiry) Milestone C must be achieved on or before 5.00 pm on the date which is 14 days after the release of the audited financial reports for period ended 31 December 2019 (C Expiry Date).

As Rent.com.au Limited is deemed to be the acquiree for accounting purposes, the carrying values of its assets and liabilities are required to be recorded at fair value for the purposes of the acquisition. No adjustments were required to the historical values to effect this change.

Consideration

53,049,895 fully paid ordinary vendor shares	1,949,539
24,482,313 Performance Shares*	-
Total value of consideration	1,949,539

Fair value of Rent.com.au Limited at acquisition:

Cash	260,967
Trade and other receivables	21,938
Financial asset	250,000
Trade and other payables	(108,008)
Fair value of net assets	424,897
Excess of consideration provided over the fair value of net assets at the date of acquisition expensed, being group restructuring and relisting costs	1,524,642

*Performance shares were issued as additional consideration, valued at nil, as the probability of performance hurdles being met was assessed as less than probable on the date of acquisition.

Notes to the Consolidated Financial Statements (continued)

10. Controlled Entities (cont'd)

Investment in associate- Accounted for using the equity method

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Investment in associate	200,000	200,000
Impairment	(200,000)	(200,000)
	-	-
<i>Movement:</i>		
Beginning of period	-	-
End of period	-	-

Summarised financial information for investment in associate is not disclosed as the entity is dormant during the year.

11. Reserves

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Share Based Payment Reserve	1,007,983	-
	1,007,983	-

Share Based Payment Reserve

The option reserve recognises options, performance rights/shares issued as share based payments.

12. Trade and Other Payables

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Current		
Trade creditors	126,716	398,484
Other payables	218,711	121,349
	345,427	519,833
Non current		
Other payables*	354,961	-
Total	700,388	519,833

Trade payables are non-interest bearing and are normally settled on 60 day terms.

*An amount of \$290,462 owing to Prime Health Group is included in trade creditors. Interest of 8.5%p.a. is payable on this balance and as at 30 June 2015 there was \$64,499 in interest outstanding on this balance. Prime Health Group has undertaken not to call upon this debt until 1 July 2016.

Notes to the Consolidated Financial Statements (continued)

13. Issued Capital

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Ordinary shares fully paid	16,773,963	10,384,424
	<u>16,773,963</u>	<u>10,384,424</u>

<i>Movements in ordinary share capital</i>	30 June 2015		31 December 2014	
	No. of shares	\$	No. of shares	\$
a) Ordinary Shares				
At the beginning of the reporting period	67,592,266	10,384,424	48,473,624	7,499,444
Add:				
- Share Issued	296,296	40,000	-	-
Less:				
- Elimination of Existing Rent.com.au Subsidiary shares	(67,888,562)	(250,000)	-	-
Add:				
- Existing Rent.com.au Limited shares on acquisition ¹	9,749,279	-	-	-
Add shares issued during the period				
- Seed issued	-	-	19,118,642	2,884,980
- Capital raising	25,000,000	5,000,000	-	-
- Issue of Rent.com.au Limited shares on acquisition of Rent.com.au Subsidiary	53,049,895	1,949,539	-	-
Transaction costs relating to share issues	-	(350,000)	-	-
At the end of the reporting period	<u>87,799,174</u>	<u>16,773,963</u>	<u>67,592,266</u>	<u>10,384,424</u>

¹Securities shown on a post 33.333 to 1 consolidation.

The ordinary shares are ordinary shares and rank equally in all respects with all ordinary shares in the Company. The rights attaching to the Shares arise from a combination of the Company's Constitution, statute and general law. Copies of the Company's Constitution are available for inspection during business hours at its registered office.

Shareholders are entitled to receive all notices, reports, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and the Listing Rules. Subject to any rights or restrictions at the time being attached to any class or classes of shares, at a general meeting of the Company on a show of hands, every ordinary Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote and upon a poll, every Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote for any share held by the Shareholder.

Notes to the Consolidated Financial Statements (continued)

13. Issued Capital (cont'd)

b) Options

The following are the options outstanding at reporting date:

Date	Details	Number of \$0.35 Listed Options ¹	Number of \$0.36 Unlisted Options ²	Number of \$0.30 Advisor Options	Number of \$0.25 Employee Options	Number of \$0.30 Employee Options
1 Jan 2015	Balance at beginning of year	-	-	-	-	-
15 June 2015	Acquisition of Rent.com.au Limited	823,540	115,507	-	-	-
17 June 2015	Grant of Options ³	-	-	7,000,000	19,000,000	14,460,000
		823,540	115,507	7,000,000	19,000,000	14,460,000

1. 'Listed options' means listed options with an exercise price of \$0.35 (post 33.333 to 1 consolidation) expiring 30 September 2015.

2. 'Unlisted options' means unlisted options with an exercise price of \$0.36 (post 33.333 to 1 consolidation) expiring 30 June 2016.

3. The options were granted during the year as part of the consideration for the acquisition of rent.com.au Limited and also advisor options associated with the acquisition.

b) Capital Management

Management controls the capital of the Company in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Company can fund its operations and continue as a going concern.

14. Dividends Paid or Proposed

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

15. Plant & equipment

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Plant and equipment	69,694	64,943
Less: Accumulated depreciation	(54,009)	(50,868)
Balance at the end of the year	<u>15,685</u>	<u>14,075</u>
<i>Movement:</i>		
Balance at the beginning of the year	14,075	13,435
Additions	4,751	7,486
Depreciation	(3,141)	(6,846)
Disposal	-	-
Balance at the end of the year	<u>15,685</u>	<u>14,075</u>

Notes to the Consolidated Financial Statements (continued)

16. Intangible assets

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Software and development – at cost	2,211,484	2,011,310
Less: Accumulated amortisation	(1,661,897)	(1,532,919)
	<u>549,587</u>	<u>478,391</u>
<i>Movement:</i>		
Balance at the beginning of the year	478,391	465,079
Additions	200,176	211,876
Depreciation	(128,980)	(198,564)
Balance at the end of the year	<u>549,587</u>	<u>478,391</u>

17. Employee benefits

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Employee benefits	<u>256,606</u>	<u>136,659</u>

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

Employee benefits obligation expected to be settled after 12 months	<u>128,303</u>	<u>68,329</u>
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18. Equity – accumulated losses

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Accumulated losses at the beginning of the financial year	(9,907,626)	(8,260,117)
(Loss) after income tax expense for the year	(3,655,771)	(1,647,509)
Accumulated losses at the end of the financial year	<u>(13,563,397)</u>	<u>(9,907,626)</u>

Notes to the Consolidated Financial Statements (continued)

19. Commitments

Corporate and software services commitments:

Future minimum service fees payable under non-cancellable are as follows:

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Within one year	70,000	-
After one year but not more than five years	-	-
	<u>70,000</u>	<u>-</u>

Operating lease commitments

Future minimum rentals payable under non-cancellable office leases are as follows:

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Within one year	183,227	-
After one year but not more than five years	526,433	-
	<u>709,660</u>	<u>-</u>

The property lease is a non-cancellable lease with a 2 years and 5 months term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require the minimum lease payments shall be increased by 4% per annum. An option exists to renew the lease at the end of the term for an additional term of 3 years.

20. Contingent Liabilities

There are no contingent liabilities (31 December 2014: nil).

21. Operating Segments

The Group only had one operating segments, which is the Group's main strategic division. The strategic division is based on geographic locations and industry, which is information technology in Australia.

Notes to the Consolidated Financial Statements (continued)

22. Cash Flow Information

	Consolidated	
	30 June 2015 \$	31 December 2014 \$
a) Reconciliation of Cash Flow from Operations with (Loss) after Income Tax		
(Loss) after income tax	(3,655,771)	(1,647,509)
- Share based payments	1,007,983	-
- Depreciation and amortisation expense	132,120	205,410
- Restructuring/ relisting cost	1,524,642	-
<i>Changes in assets and liabilities</i>		
- trade and other receivables	17,564	(7,713)
- trade payables and accruals	72,547	137,928
- employee benefits	119,947	-
Cash flows used in operations	<u>(780,967)</u>	<u>(1,311,884)</u>

b) Non-cash Financing and Investing Activities

During the year 53,049,895 ordinary shares were issued at \$0.20 as part of the consideration for the purchase of the Rent.com.au Subsidiary.

23. Share Based Payments

The Company established the Rent.com.au Limited Long Term Incentive Plan ("LTIP") as approved by shareholders on 20 May 2015. All employees, directors and consultants are eligible to participate in the LTIP.

The LTIP provides for the issuance of:

- (a) Performance Rights which, upon a determination by the Board that the performance conditions attached to the Performance Rights have been met, will result in the issue of one ordinary Share in the Company for each Performance Right; and
- (b) Plan Options which, upon a determination by the Board that the vesting conditions attached to the Plan Options have been met, will result in the Plan Options vesting and being able to be exercised into Shares by payment of the exercise price.

To achieve its corporate objectives, the Company needs to attract and retain its key staff. The Board believes that grants made to eligible participants under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the implementation of the Plan will:

- (a) enable the Company to recruit, incentive and retain Key Management Personnel and other eligible Employees needed to achieve the Company's business objectives;
- (b) link the reward of key staff with the achievements of strategic goals and the long term performance of the Company;
- (c) align the financial interest of participants of the Plan with those of Shareholders; and
- (d) provide incentives to participants of the Plan to focus on superior performance that creates Shareholder value.

Notes to the Consolidated Financial Statements (continued)

23. Share Based Payments (cont'd)

The key features of the Plan are as follows:

- (a) The Board will determine the number of Performance Rights and Plan Options (Plan Securities) to be granted to Eligible Employees (or their Affiliates) and the vesting conditions, expiry date of the Plan Securities and the exercise price of the Plan Options in its sole discretion.
- (b) The Plan Securities are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.
- (c) Subject to the Corporations Act and the Listing Rules and restrictions on reducing the rights of a holder of Plan Securities, the Board will have the power to amend the Plan as it sees fit.

a) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	30 June 2015	31 December 2014
	\$	\$
Performance Shares/rights issued to employees	5,118	-
Option issued under employee option plan	108,894	-
Advisor fee	893,971	-
	1,007,983	-

b) Options

All options granted to key employees, consultants and advisors of the Company are for ordinary shares in Rent.com.au Limited which confer a right of one ordinary share for every option held.

Grant Date	Expiry Date	Exercise Price	Balance at start of year	Granted during the period	Exercised during the period	Consolidated during the period	Balance at end of the period	Vested & exercisable at end of the period
			Number	Number	Number	Number	Number	Number
2015								
24 October 2012	30 Jun 2016	\$0.36	2,000,000	-	-	(1,939,995)	60,005	60,005
24 October 2012	30 Sep 2015	\$0.35	6,666,667	-	-	(6,466,649)	200,018	200,018
31 January 2013	30 Jun 2016	\$0.36	1,000,000	-	-	(969,999)	30,001	30,001
26 February 2013	30 Jun 2016	\$0.36	750,000	-	-	(727,499)	22,501	22,501
26 February 2013	30 Jun 2016	\$0.35	20,777,217	-	-	(20,153,695)	623,552	623,552
3 May 2013	30 Jun 2016	\$0.36	100,000	-	-	(97,000)	3,000	3,000
15 June 2015	17 Jun 2020	\$0.25	-	19,000,000	-	-	19,000,000	-
15 June 2015	17 Jun 2020	\$0.30	-	14,460,000	-	-	14,460,000	-
23 June 2015	22 June 2020	\$0.30	-	7,000,000	-	-	7,000,000	7,000,000
			31,295,899	40,460,000	-	(30,354,837)	41,401,092	7,941,092

Notes to the Consolidated Financial Statements (continued)

23. Share Based Payments (cont'd)

b) Options (cont'd)

The following table sets out the assumptions made in determining the fair value of the options granted during the financial year:

	Options Granted 23 June 2015	Options Granted 17 June 2015	Options Granted 17 June 2015
Expected volatility (%)	90	90	90
Risk free interest rate (%)	2.28	2.28	2.28
Weighted average expected life of options (years)	5	5	5
Expected dividends	Nil	Nil	Nil
Option exercise price (cents)	30	25	30
Share price at grant date (cents)	20	20	20
Fair value of option (cents)	0.1277	0.134	0.128 and 0.127
Number of options	7,000,000	19,000,000	14,460,000
Expiry date	22 June 2020	16 June 2020	16 June 2020
Vesting date	23 June 2015	16 June 2020 and 31 December 2016*	16 June 2020 and 31 December 2016**

*Employee options:

Tranche 1 – 10,000,000. Vest upon continuous employment with the group until 31 December 2016.

Tranche 2 – 4,500,000 Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.30 over 20 consecutive trading days.

Tranche 3 – 4,500,000 Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.40 over 20 consecutive trading days.

**Employee options:

Tranche 4 – 4,820,001. Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.30 over 20 consecutive trading days.

Tranche 5 – 4,820,001. Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.40 over 20 consecutive trading days.

Tranche 6 – 4,819,998. Vest upon continuous employment with the group until 31 December 2016 and the VWAP of shares trading at greater than \$0.60 over 20 consecutive trading days.

The weighted average remaining contractual life of options outstanding at year-end was 5 years. The exercise price of outstanding shares at the end of the reporting period was \$0.28.

Grant Date	Expiry Date	Exercise Price	Balance at start of year	Granted during the period	Exercised during the period	Forfeited during the period	Balance at end of the period	Vested & exercisable at end of the period
			Number	Number	Number	Number	Number	Number
2014								
24 October 2012	30 Jun 2016	\$0.36	2,000,000	-	-	-	2,000,000	2,000,000
31 January 2013	30 Jun 2016	\$0.36	1,000,000	-	-	-	1,000,000	1,000,000
26 February 2013	30 Jun 2016	\$0.36	750,000	-	-	-	750,000	750,000
3 May 2013	30 Jun 2016	\$0.36	100,000	-	-	-	100,000	100,000
			3,850,000	-	-	-	3,850,000	3,850,000

Notes to the Consolidated Financial Statements (continued)

23. Share Based Payments (cont'd)

c) Performance share/rights

Grant Date	Expiry Date	Exercise Price	Balance at start of year	Granted during the period	Exercised during the period	Consolidated during the period	Balance at end of the period	Vested & exercisable at end of the period
			Number	Number	Number	Number	Number	Number
2015								
15 June 2015*	31 December 2018	Nil	-	8,160,771	-	-	8,160,771	-
15 June 2015**	31 December 2018	Nil	-	8,160,771	-	-	8,160,771	-
15 June 2015***	31 December 2019	nil	-	8,160,771	-	-	8,160,771	-
15 June 2015*	31 December 2018	Nil	-	4,111,812	-	-	4,111,812	-
15 June 2015**	31 December 2018	Nil	-	4,111,812	-	-	4,111,812	-
15 June 2015***	31 December 2019	nil	-	4,111,812	-	-	4,111,812	-
			-	36,817,749	-	-	36,817,749	-

*Class A Performance Shares/rights – these performance shares will vest on the achievement of greater than 500,000 unique visitors to the website, Rent.com.au in each of 3 consecutive months on or before 31 December 2018.

*Class B Performance Shares/rights – these performance shares will vest on the achievement of greater than \$10,000,000 in revenue by the group in any 12 month period on or before 31 December 2018.

***Class C Performance Shares/rights – these performance shares will vest upon the achievement of greater than \$3,000,000 in EBITDA by the group in any 12 month period on or before 31 December 2019.

Type	Shares/rights (No.)	Underlying share price	Probability %*	Value (\$)
Class A	12,272,583	\$0.20	16%	392,722
Class B	12,272,583	\$0.20	2%	49,090
Class C	12,272,583	\$0.20	0%	-
	36,817,749			441,812

*The probability estimated by the management is over the expiry date of the performance shares/rights.

24. Events After The Reporting Period

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

Notes to the Consolidated Financial Statements (continued)

25. Related Party Transactions

Related Parties

a. The Group's main related parties are as follows:

(i) *Entities exercising control over the Group:*

The ultimate parent entity that exercises control over the Group is Rent.com.au Limited, which is incorporated in Australia.

(ii) *Key management personnel:*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 5.

(iii) *Entities subject to significant influence by the Group:*

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

For the financial periods ended 30 June 2015 and 31 December 2014, there are no entities which are subject to significant influence by the Group.

(iv) *Other related parties:*

Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

	30 June 2015	31 December
	\$	2014
		\$
<i>Transactions:</i>		
Company secretarial fee - Grange Consulting[1]	3,150	-
Rental expense - Prime Health Group Property Trust[2]	24,321	37,682
Interest expense -Prime Health Group Property Trust[2]	64,499	-
Other expenses[2]	5,607	8,469
<i>Balances:</i>		
Amount due to Prime Health Group Property Trust[2]	359,540	280,802
Amount due to Sealcrest Pty Ltd[2]	697	12,973

[1] Philip Warren is a director and shareholder.

[2] Garry Garside is a director of Sealcrest Pty Ltd atf Prime Health Group Property Trust.

Time Finance and Homeloans Pty Ltd is a company owned 25% by the group and 75% by an entity controlled by Mr. Mark Woschnak. Time Finance and Homeloans Pty Ltd is a licenced finance and mortgage broking business that provides the group a 'white label' service through which renters are able to obtain information about various finance products and submit enquiries to be contacted by brokers. The group receives a referral fee of 30% of the commission payable to Time Finance (less specified fees). Time Finance and Homeloans Pty Ltd were dormant during the financial periods.

Notes to the Consolidated Financial Statements (continued)

26. Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated	
		30 June 2015	31 December 2014
		\$	\$
Financial Assets			
Cash and cash equivalents	8	4,453,304	488,231
Trade and other receivables	9	156,967	152,593
Total Financial Assets		4,610,271	640,824
Financial Liabilities			
Trade and other payables	12	700,388	519,833
Total Financial Liabilities		700,388	519,833

Financial Risk Management Policies

The Board of Directors is responsible for monitoring and managing financial risk exposures of the Group. The Board monitors the Group's financial risk management policies and approves financial transactions. It also reviews the effectiveness of internal controls relating to counterparty credit risk, financing risk and interest rate risk.

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of the credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and foreign currency risk.

a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Depending on the division within the Group, credit terms are generally 30 to 60 days from the invoice date.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

Notes to the Consolidated Financial Statements (continued)

26. Financial Risk Management (cont'd)

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at reporting date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Group has no significant concentration of credit risk with any single counterparty or group of counterparties, except the Australian Taxation Office.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

Credit risk related to balances with banks and other financial institutions is managed by the board in accordance with approved board policy. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	Note	Consolidated	
		30 June 2015 \$	31 December 2014 \$
Cash and cash equivalents			
- AA- Rated		4,453,304	488,231
- A+ Rated		-	-
Unrated		-	-
	8	4,453,304	488,231

b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Notes to the Consolidated Financial Statements (continued)

26. Financial Risk Management (cont'd)

Financial Liability and Financial Asset Maturity Analysis

	Weighted average effective interest rate	Within 1 Year		Within 2 to 5 Year		Total	
		30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Consolidated/Company	%	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment							
Trade and other payables (excluding est. annual leave)	-	345,427	229,371	64,499	-	409,926	229,371
Trade payables	8.50%	-	290,462	290,462	-	290,462	290,462
Financial assets — cash flows realisable							
Cash and cash equivalents	1.87%	4,453,304	488,231	-	-	4,453,304	488,231
Trade and other receivables	-	156,967	152,593	-	-	156,967	152,593

c) Market Risk

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Sensitivity Analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at reporting date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Net Surplus		Equity	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	\$	\$	\$	\$
+ 1% (100 basis points)	+ 36,557	+ 16,475	+ 42,185	+ 4,768
- 1% (100 basis points)	- 36,557	- 16,475	- 42,185	- 4,768

ii. Price risk

The Group's currently has no exposure to equity securities price risk arising from investments held by the group and classified in the statement of financial position as fair value through profit or loss.

Notes to the Consolidated Financial Statements (continued)

26. Financial Risk Management (cont'd)

iii. Foreign Currency Risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations.

The Group does not have any foreign currency exposure.

d) Fair value measurement

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair values disclosed in the above table have been determined based on the following methodologies:

- i. Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is not considered a financial instrument.
- ii. The fair value of financial assets and liabilities must be estimated for recognition and measurement for disclosure purposes. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date and represent fair value. The fair value of current financial assets and liabilities settled within 12 months approximate fair value due to their short-term nature. The Company does not currently have any financial assets and liabilities

Notes to the Consolidated Financial Statements (continued)

27. Parent Information

The following information has been extracted from the book and records of the parent and has been prepared in accordance with the accounting standards.

	30 June 2015	31 December 2014
	\$	\$
Statement of profit and loss and other comprehensive income		
(Loss) for the period / year	4,214,128	3,523,097
Total comprehensive loss	4,214,128	3,523,097
Statement of Financial Position		
Assets		
Current assets	184,055	782,718
Non-current assets	4,218,549	250,000
Total assets	4,402,604	1,032,718
Liabilities		
Current liabilities	(50,102)	(72,611)
Total liabilities	(50,102)	(72,611)
Equity		
Issued capital	54,778,201	48,395,189
Share-Based Payment Reserve	4,394,820	3,160,864
Accumulated losses	(54,820,519)	(50,605,391)
Total equity	4,352,502	960,107

Contingent Liabilities and Capital expenditure

There are no contingent liabilities for the parent entity for both financial periods ended 30 June 2015 and 31 December 2014.

The parent entity did not have capital expenditure commitments for the acquisition of property, plant and equipment contracted but not provided for.

Guarantees

During the reporting period, Rent.com.au Limited had not entered into any guarantees in relation to the debts of its subsidiaries.

Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) Giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and
 - (ii) Comply with Australian Accounting Standards, which as stated in Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

This declaration has been made after receiving the declarations required to be made by the directors in accordance with sections of 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.



Mr. Garry Garside
Non-Executive Chairman
24 August 2015

Corporate Governance

Corporate Governance Statement

The Company's corporate governance statement can be found at the following URL:

<http://investors.rent.com.au/irm/content/governance.aspx>

The Board of Directors ("the Board") is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

This statement outlines the main Corporate Governance practices in place throughout the financial year, which comply with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2014 Amendments 3rd edition unless otherwise stated.

ASX Additional Information

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

1. Holdings

The issued capital of the Company as at 20 October 2015 includes the following securities:

Equity Class	Number of holders	Total on issue
Fully paid ordinary shares	2,239	89,799,174
Unlisted Options (\$12.00, 30 June 2016)	7	115,507
Unlisted Options (\$0.30, 23 June 2020)	20	7,000,000
Performance Shares	69	24,482,313
Performance Rights	11	12,475,436
Employee Options	11	33,860,000

All issued fully paid ordinary shares carry one vote per share.

2. Distribution of Ordinary Shares as at 20 October 2015

Range	Holders	Units	%
1-1,000	1,588	122,913	0.14
1,001-5,000	136	377,032	0.43
5,001-10,000	100	847,613	0.97
10,001-100,000	283	13,632,843	15.53
100,001-and over	132	72,818,773	82.94
Total	2,239	87,799,174	100%

There were 1,655 holders of less than a marketable parcel of ordinary share, and 79 holders from overseas holding 14,652,722 shares.

ASX Additional Information (continued)

3. Top 20 Largest Holders of Ordinary Shares as at 20 October 2015

	Name	Number	%
1	WAINFORD HOLDINGS LIMITED	8,624,417	9.82
2	RENT INVESTMENT PTY LTD <RENT INVESTMENT UNIT A/C>	7,564,319	8.62
3	MARK WOSCHNAK	6,454,743	7.35
4	TEFIG PTY LTD <A J ABERCROMBIE S/FUND A/C>	4,432,659	5.05
5	MR NASER KERIMI & MRS DEBORAH LYNN KERIMI <KERIMI SUPER FUND A/C>	3,478,072	3.96
6	BT PORTFOLIO SERVICES LIMITED <PILLAR INVESTMENT FUND A/C>	2,733,376	3.11
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,000,587	2.28
8	GARRY DESMOND & FRANCES GARSIDE <THE PRIME SUPER FUND A/C>	1,497,775	1.71
9	MS CATHERINE LOFTUS-HILLS & MR STEPHEN BELL <LHB FAMILY A/C>	1,359,299	1.55
10	CHARLES NIGHTINGALE & JENNIFER NIGHTINGALE	1,250,000	1.42
11	CHEZ CORPORATION PTY LTD <THE CHERRY INVESTMENT A/C>	1,232,060	1.40
12	JULIAN PHILIP WARNE	941,533	1.07
13	KAREN MACDONALD	887,319	1.01
14	SUSAN OLSZOWY	684,279	0.78
15	ZETTASERVE PTY LTD	663,770	0.76
16	MR MICHAEL PAUL YOUNG & MRS BELINDA JANE YOUNG <YOUNG SUPER FUND A/C>	657,426	0.75
17	MR STEPHEN PAUL KENDRICK <THE KENDRICK FAMILY A/C>	640,671	0.73
18	MARK ARNOLD LAUREN	636,317	0.72
19	REEFBAY HOLDINGS PTY LTD <JOHN & GEORGINA WOOD FAM A/C>	627,897	0.72
20	MR WARREN FRANCIS SMITH & MRS FIONA ELLEN SMITH	600,000	0.68
	Total Top 20	46,966,519	53.49%
	Others	40,832,655	46.51%
	Total Ordinary Shares on Issue	87,799,174	100.00%

4. Voting Rights

See note 13 of the financial statements

5. Substantial shareholder notice lodged with the Company

	Name	Number	%
1	WAINFORD HOLDINGS LIMITED	8,624,417	9.82%
2	MR JOHN WOOD	8,432,219	9.60%
3	MARK WOSCHNAK	6,454,743	7.35%
4	TEFIG PTY LTD <A J ABERCROMBIE S/FUND A/C>	4,432,659	5.05%

ASX Additional Information (continued)

6. Unquoted Securities

The names of the security holders holding more than 20% of an unlisted class of security are listed below:

	Unlisted Options \$12.00 30 June 2016	Unlisted Options (\$0.30, 23 June 2020)	Performance Shares	Performance Rights	Employee Options
Philuchna Pty Ltd <PM & NA Warren Family A/C>	37,501	-	-	-	-
Ms Regina Molloy	30,001	-	-	-	-
Rent Investment Pty Ltd atf Rent Investment Unit Trust	-	-	7,468,364	-	-
Markit Systems Pty Ltd <Woschnak Family Trust>	-	-	-	9,851,223	28,000,000
GMP Securities Australia Pty Ltd	-	2,000,000	-	-	-
Total other holders	48,005	5,000,000	17,013,949	2,624,213	5,860,000
Total	115,507	7,000,000	24,842,313	12,475,436	33,860,000
Total holdings over 20%	2	1	1	1	1
Other holders	5	19	68	10	10

7. Restricted Securities subject to escrow period

The following securities are subject to escrow periods:

Equity Class	Escrowed 12 months until 17 June 2016	Escrowed 24 months until 23 June 2017
Fully paid ordinary shares	-	11,847,353
Unlisted Options (\$12.00, 30 June 2016)	-	-
Unlisted Options (\$0.30, 23 June 2020)	-	7,000,000
Performance Shares	10,009,606	14,472,707
Performance Rights	-	10,924,302
Employee Options	-	31,050,000

8. On-market buy back

There is currently no on-market buyback program for any of Rent.com.au Limited's listed securities.

9. Group cash and assets

In accordance with Listing Rule 4.10.19 the Company confirms that it has been using the cash and assets it had acquired at the time of re-instatement and for the period ended 30 June 2015 in a way that is consistent with its business objectives and strategy.