

NSX

ANNUAL REPORT

FOR YEAR ENDED
30TH JUNE 2016



NSX



A N N U A L R E P O R T

FOR THE YEAR ENDED 30 JUNE 2016

ABN 33 089 447 058

Corporate Directory

DIRECTORS

Ann Bowering
Michael Cox (Chairman)
Thomas Price

SENIOR EXECUTIVES

Ann Bowering
Managing Director

Ian Craig
Companies Manager

Scott Evans
General Manager & Company Secretary

COMPANY SECRETARY

Scott Evans

PRINCIPAL REGISTERED OFFICE

Level 2, 117 Scott Street
Newcastle NSW 2300.
Telephone: (02) 4929 6377
Facsimile: (02) 4929 1556

BANKERS

National Australia Bank
Level 1, 101 Hannell Street
Wickham NSW 2293
www.nab.com.au

SOLICITORS

Baker & McKenzie
AMP Centre
50 Bridge Street,
Sydney NSW 1223
www.bakernet.com

AUDITORS

PKF
755 Hunter Street
Newcastle West NSW 2302
www.pkf.com.au

SHARE REGISTRY

Boardroom Pty Ltd
Grosvenor Place
Level 12, 225 George Street
Sydney NSW 2000
Telephone: 1300 737 760
Fax: 1300 653 459
Correspondence to:
GPO BOX 3993
Sydney NSW 2001
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WEBSITE

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Letter from the Chairman

Dear Shareholder,

We are pleased to present you with the Annual Report for the Financial Year ended 30th June 2016.

During the year we made a placement that has seen the company recapitalised and with funding to satisfy our obligations, our major shareholder reduced its holding significantly so as to enable it to focus on its own business opportunities. Our CEO, Mr Emlyn Scott also decided to pursue other opportunities and the Board would like to extend our appreciation for the efforts he made in developing our business over the past several years.

Following these changes, the Board appointed Ms Ann Bowering as CEO/Managing Director and made the decision to consolidate our operating into a new Sydney office. Once the fitout is completed we are looking forward to moving into our new premises. These steps enabled the Board to restructure the management structure and unfortunately, this has meant that several long serving employees will not be moving with us to Sydney. I would personally like to take this opportunity to thank those individuals for all their efforts over the past years in ensuring that the NSX is positioned where it can take advantage of the opportunities that are before it.

Ms Bowering is well underway in building up her new management team, thereby ensuring that the changes being implemented do not slow down the momentum of the Exchange that we have been able to build in recent months.

We thank the NSX shareholders, including our new shareholders for their ongoing support and look forward to your attendance at the Annual General Meeting.



Michael Cox
Chairman
22 September 2016

Letter from the Managing Director

Dear Shareholder,

Growth of any kind requires investment. The National Stock Exchange of Australia is the venue of choice for companies seeking to raise capital for growth, now and in the future.

The National Stock Exchange of Australia brings competition to the Australia listings market, providing Australian and international companies and investors, with a choice. Companies looking to raise capital using the Australian capital markets can engage with the National Stock Exchange of Australia to access new pools of capital, as well as the traditional investor groups utilising established market practices and trusted infrastructure.

In many ways, 2016 has provided the impetus for innovation at the National Stock Exchange of Australia. We have embraced the opportunity to make significant changes to the core of our business, backed by the support of our shareholders and market stakeholders. We are centralising our operations to a brand new collaborative office space in the heart of Sydney, and are welcoming experienced industry leaders into our new management team. Under this new framework, the exchange is now well positioned for the future, and better aligned to engage with our clients and the opportunities being created here in Australia and in the global capital markets.

We will see further value materialise in the current financial year from our investments in liquidity, when our joint project with IRESS comes online in Q4 2016. This project will provide participants of the National Stock Exchange of Australia with seamless access to trade companies listed on the exchanges, and ultimately it is expected to contribute to substantial growth in trading volumes, underpinning improvements in liquidity, through the broadening of distribution channels. This is a significant enhancement to the exchange environment and will bring multiple benefits including increased flexibility, reduced complexity and scale efficiencies around investment in listed companies

In addition, the introduction of a new brand identity is expected to improve the recognition of the exchange throughout the Australian market and internationally by exploiting one of our key assets; the licensed entity, the National Stock Exchange of Australia.

NSX welcomed ten new issuers to the official list in 2016; representing 7% of the total number of listings in Australia during that period. These issuers raised in excess of \$23.2 million in new capital for their operations as part of their IPO process onto the National Stock Exchange of Australia.

Amidst all of this change, I am very proud of the financial performance that our business has delivered in 2016. Adjusting for the non-recurring items, the business has delivered a 22% improvement in the underlying earnings of the operations. Our net revenue increased 16% to \$1.9 million, whilst our operating expenses, excluding once-off restructuring costs, remained unchanged from the prior year. Our reported net loss after tax of \$1.4 million, is consistent with the prior year result, however it also includes the once-off restructuring costs of \$0.4 million.

Revenue from operations continued to rise in 2016, increasing \$0.3 million or 16%, to \$1.9 million. Notably, this was driven by the strong performance of our existing issuer base. We saw 56% growth in our Secondary Raising Fees, demonstrating the ability of issuers to access new capital once listed on the exchange. This was also reflected in the 19% increase in Annual Listing Fees of \$0.8 million. Application Fees of \$0.5 million were slightly lower than the prior year, reflecting the decrease in the number of listings from the prior year. This shift in revenue composition reflects the strength in our business model, which provides for annuity cash flows from successfully cultivated issuer. Other Issuer Fees increased 16% in 2016, to \$0.1 million.


Importantly, during the year the company raised \$5.7 million in additional capital from a new shareholder by way of a placement of 16.5 million shares. Following this, we also saw a significant change in the shareholder group with the sale of the holding by, Financial and Energy Exchange Limited.

In line with industry standards, the National Stock Exchange of Australia completed the successful transition to T+2 settlement of trades during the year. NSX has always placed significant importance on the quality, functionality and reliability of our technological infrastructure. In 2016 we continued our long standing relationship with NASDAQ, leveraging the infrastructure that has been developed in partnership with them over that time. NSX reported no outages in 2016, resulting in 100% uptime in market performance for the 15th consecutive year.

NSX wishes to acknowledge the continued support of our 23 member Broker Participant base and 31 member Nominated Adviser base, who together with the Exchange, are creating improved market solutions for issuers and investors. The importance of these partnerships will come to the fore as we jointly look to provide new and more effective pathways to capital.

This year, the National Stock Exchange of Australia also celebrates 80 years since the first company was listed on the exchange. Whilst the exchange today is a far cry from its humble beginning in 1936, one thing remains the same; a commitment to engage at the heart of the investment community to facilitate the transparent flow of capital into business to support their innovation and growth. It is these core values that enable the National Stock Exchange of Australia to deliver value for our clients and our shareholders today.

In my seven years on the board of directors of the National Stock Exchange of Australia, I have never seen our strategy better positioned to capitalise on opportunities than now. Our investment in creating a more unified, agile and innovative business will allow us to not only provide competition for listings in the Australian market, but also to be at the forefront of the delivery of new solutions in what is unquestionably a transformational time for our industry.



Ann Bowering
Managing Director

22 September 2016

Market Information

LISTING, TRADING AND SETTLEMENT

About Us

NSX operates the National Stock Exchange of Australia (NSXA), an Australian Market Licencee. Under this licence NSX provides a stock exchange facility for the listing of equity securities, corporate debt and investment scheme units. NSX also has a 50% investment holding in the Joint Venture entity SIM VSE Group Holdings Limited which operates IR Plus Securities Exchange Limited (IR Plus, formerly SIM Venture Securities Exchange Limited).

Listing

The three common listing models across the exchanges are:

1. **Conventional** standard market trading model chosen by the majority of companies with no investor or trading time restrictions. Any investor can invest in any company at any time during business hours in this type of trading model. The vast majority of the listed companies choose this trading model as it represents the standard and best known form of stock trading.
2. **Closed market** – investors are restricted to a particular group specified by the listed company. This model is popular with companies with a restricted membership type ownership base.
3. **Trading Windows** – trading occurs only twice a year for six weeks after semi and annual reporting. This restriction in trading times has the advantages of focusing liquidity around periods where news occurs and away from quiet periods. Trading windows is currently restricted to property-based managed investment schemes..

Trading

The NSXA operates its own trader workstation terminal as well as electronic feeds for those wishing to use their own terminals to trade or for information vendors. The service is called NETS and is based on one of the most technologically advanced trading platforms in the world. NSX sources its technology from NASDAQ.

The NETS trading engine compares buying and selling orders entered into the system and automatically executes trades in strict time/price priority whenever two orders match. Orders are entered on NETS trader workstations in stockbrokers' offices or via online trading screens which may be located anywhere, and are then routed to network processors in the NSX's datacentre. From Q2 in the 2016/2017 financial year brokers will also be able to utilise the IRESS interface to enter orders.

Trading hours are between 10.00am and 4.15pm Australian Eastern Standard Time ("AEST"), Monday to Friday.

Settlement

NSXA can accommodate securities that are either electronically settled or certificated securities. All securities registered for settlement electronically are settled on a T+2 basis. Certificated securities are settled on a T+5 basis.

For the purposes of electronic settlement NSXA has established a Settlement Facilitation Service agreement with ASX Settlement Pty Ltd to utilise the CHESSE system. This agreement recognises the NSXA as an Australian Market Licencee pursuant to ASX Settlement Operating Rule 4.1A and allows NSXA to be a recipient of the Facilitation Service provided by ASX. NSXA is also a Recognised Market Operator under ASX Settlement Operating Rules and as such complies with the conditions set out in ASX Settlement Rule 4.3.13. Further, NSXA is registered as a General Settlement Participant and therefore can act as a settlement agent on behalf of NSXA registered Participants.

NSXA LISTING HISTORY OF SECURITIES

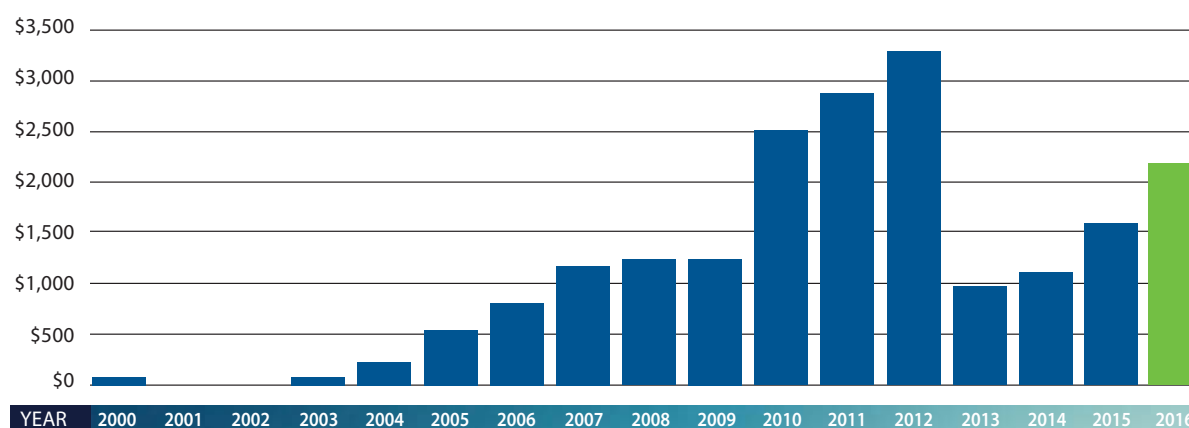
Calendar Year	2012	2013	2014	2015	2016
Fully Paid Ordinary	69	64	65	69	64
Partly Paid Ordinary	1	1	1	1	-
Debt Securities	50	46	38	18	6
Preference Securities	1	5	3	3	3
Company issued options	5	5	2	3	2
Property Trusts	2	2	1	1	1
Total Listed Securities	128	123	110	95	76
Delisted securities	40	14	14	29	27

NSXA TRADING STATISTICS

Calendar Year	2012	2013	2014	2015	2016
Listed Securities (no.)	128	123	110	95	76
Market Capitalisation (\$'mil)	3,272	981	1,159	1,580	2,196
Volume Traded ('000 shares)	262,547	292,769	112,583	24,377	13,705
Value Traded (\$'000)	291,366	70,781	20,354	10,361	6,088
Trades (no.)	3,370	1,384	1,145	972	827
Average Volume per trade ('000 shares)	77.9	211.5	98.3	25.1	16.6
Average value per trade (\$'000)	86.5	51.1	17.8	10.7	7.4
Average Price per Share (\$)	1.11	0.24	0.18	0.43	0.44
Announcements (no.)	4,360	4,463	2,386	2,011	2,012

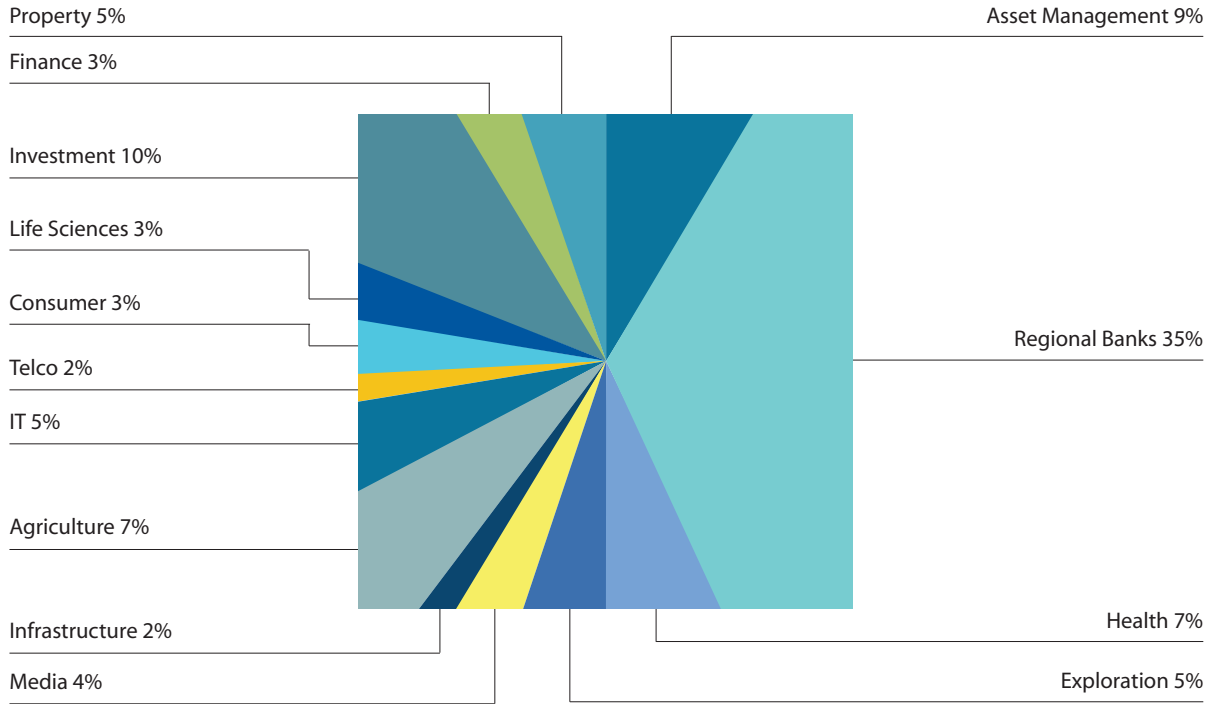
Note: Latest year figures are annualised estimates.

MARKET CAPITALISATION (\$m)



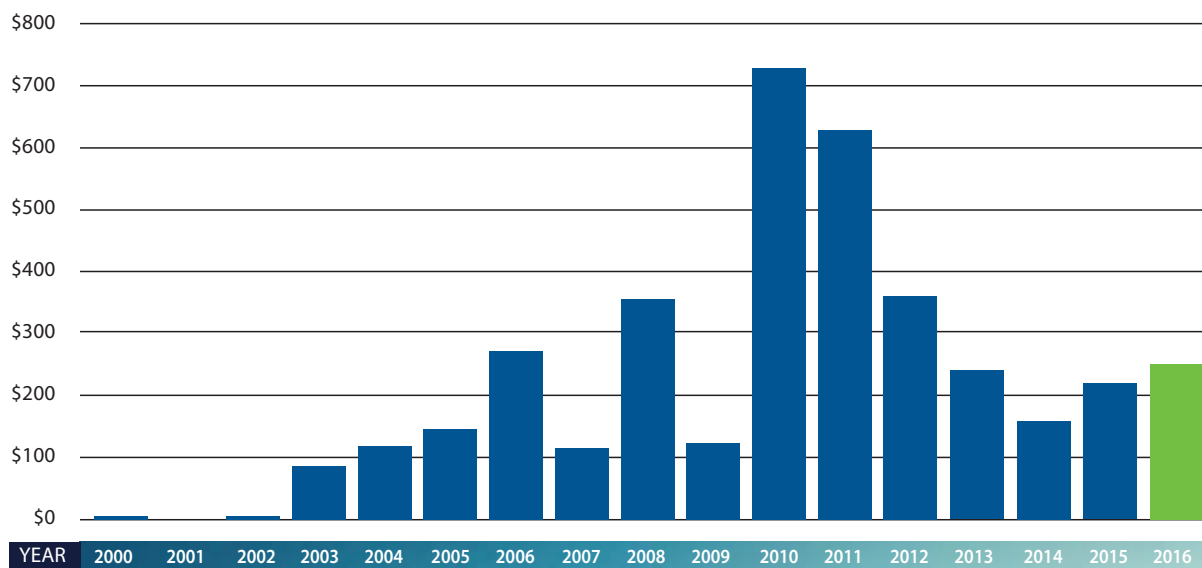
The value for 2016 represents the market capitalisation of all securities listed on the NSXA as at 30 June 2016.

NSX ISSUERS BY INDUSTRY



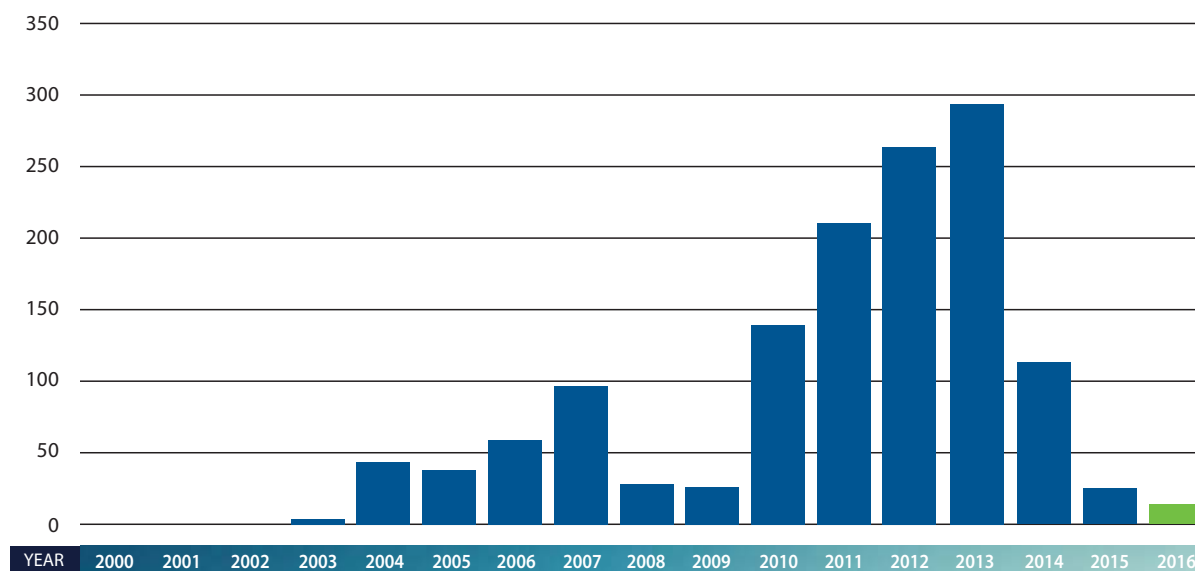
Industry groups as categorised by NSX.

PRIMARY AND SECONDARY CAPITAL RAISED (\$m)



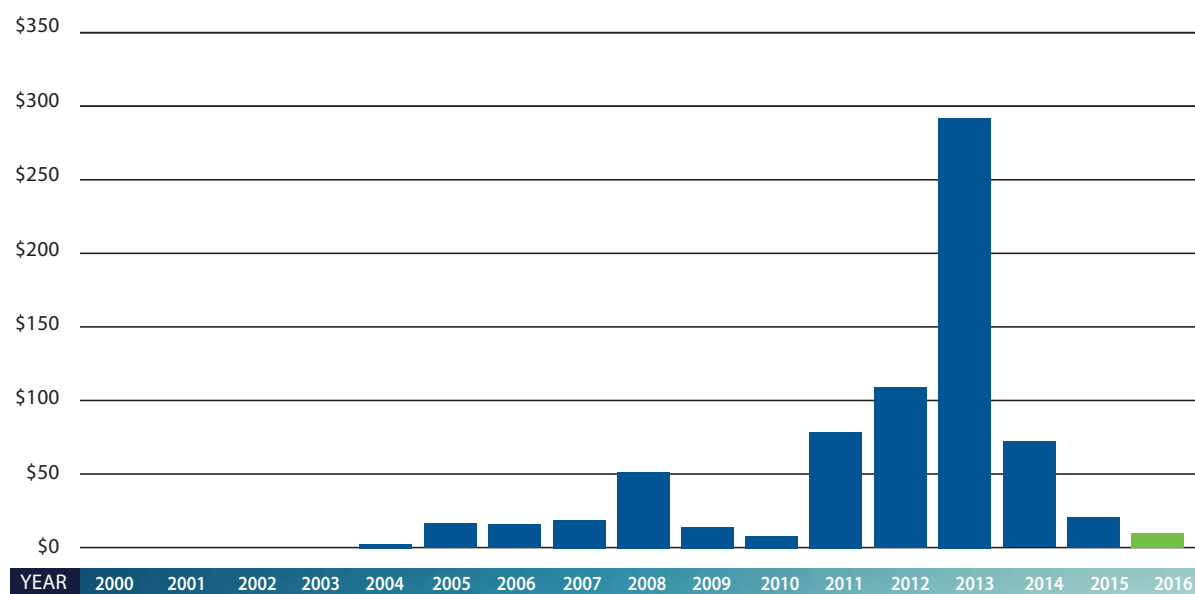
The green bar for 2016 represents actual capital raised during the calendar year 2016 both as primary capital (that is at the time of float) and secondary capital (that is additional capital raised by Issuers).

TOTAL SHARES TRADED (Shares, million)



The green bar for 2016 total shares traded represents an annualised estimate of the total number of trades for the calendar year 2016.

VALUE OF SHARES TRADED (\$m)

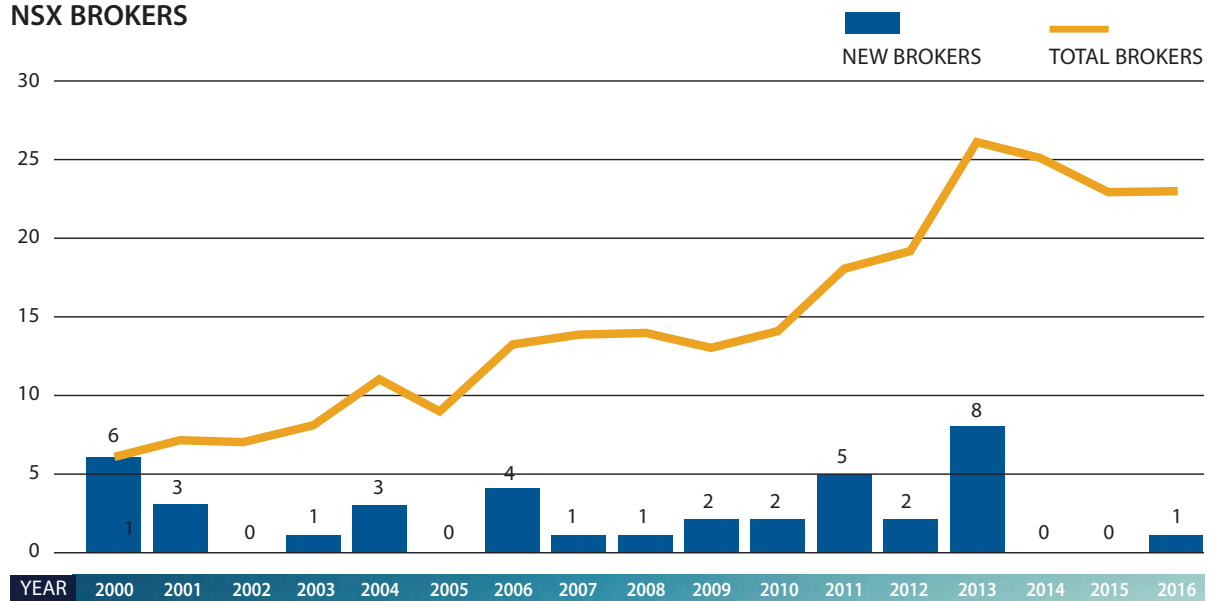


The green bar for 2016 total value of shares traded represents an annualised estimate of the total value of shares traded for the calendar year 2016.

ABOUT PARTICIPANTS

NSXA permits licensed organisations to apply to become Participants. Once a member of a licenced market these organisations can call themselves stockbrokers according to the Corporations Act. Participants offer services such as raising capital, trade execution, underwriting, research, investment advice, settlement and corporate advisory services. Participant services for each new listing includes assisting the listing applicant to obtain sufficient spread of shareholders and working capital requirements. Membership of a licenced stock exchange imposes a higher standard of compliance on Participants.

NSX BROKERS



LIST OF BROKER PARTICIPANTS ON NSXA

Participants (as at the date of this report)

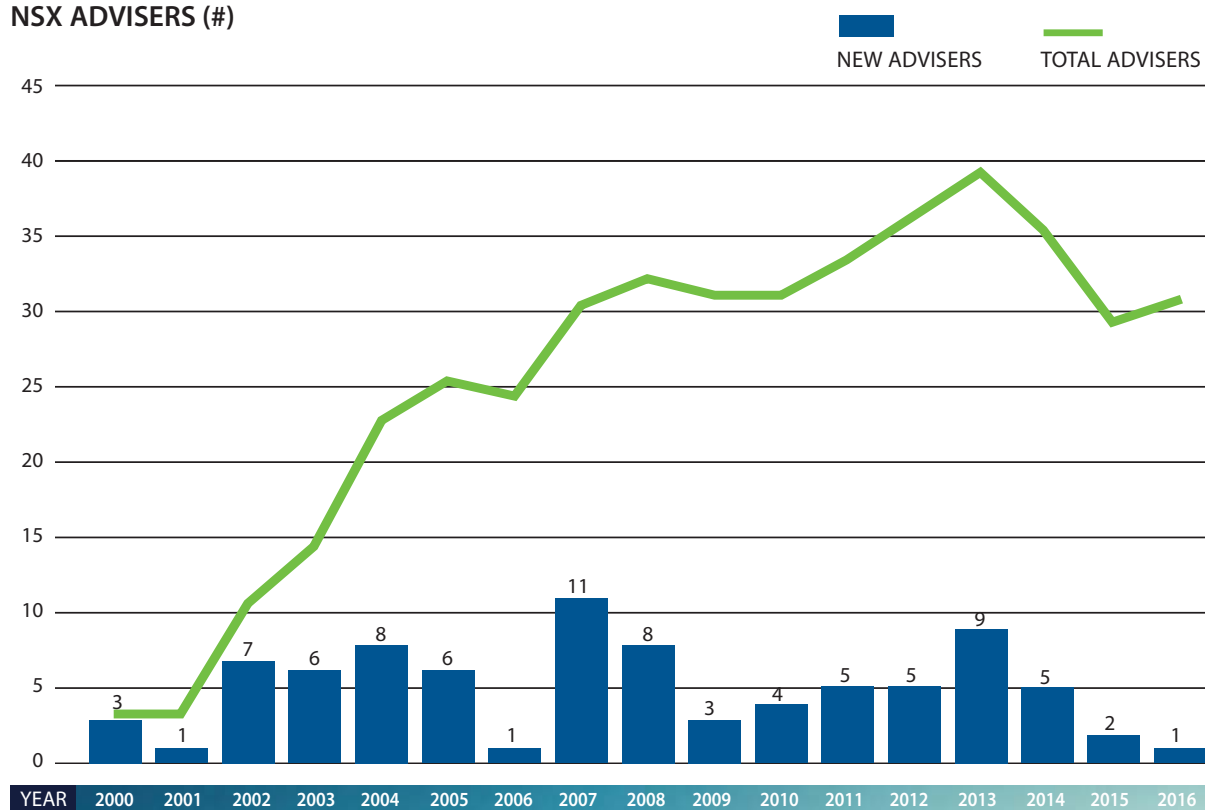
Affinity Wealth Services	New York Securities
APP Securities Pty Ltd	OpenMarkets Australia Limited
Baillieu Holst	Ord Minnett Limited
Bell Potter Securities Limited	Paterson Securities Limited
Burrell Stockbroking Limited	Pritchard & Partners Pty Limited
CPS Capital	Select Equities Pty Ltd
Dayton Way Financial Pty Ltd	Strategem Investment Services Pty Ltd
DJ Carmichael Stockbrokers	Taylor Collison Limited
Dolphin Partners	Triple C Consulting Pty Ltd
Leyland Private Asset Management	Veritas Securities
Macquarie Equities Limited	VFS Group
Morgans Financial Limited	

ABOUT NOMINATED ADVISERS ON NSXA

NSX permits organisations to apply to become Nominated Advisers to NSXA. By becoming a Nominated Adviser these organisations facilitate the listing process onto NSXA by ensuring and confirming to NSXA:

1. that in relation to any application for admission to the official list of the NSXA market by an issuer:
 - (a) the directors of the issuer have received advice and guidance (from the nominated adviser or other appropriate professional adviser) as to the nature of their responsibilities and obligations to ensure compliance with NSXA rules;
 - (b) to the best of the knowledge and belief of the nominated adviser, all relevant requirements of NSXA rules have been complied with; and
2. that it will be available at all times to advise and guide the directors of the issuer as to their responsibilities and obligations compliance by the issuer on an ongoing basis with NSXA's rules.

NSX ADVISERS (#)



LIST OF NOMINATED ADVISERS ON NSXA

Nominated Advisors (as at the date of this report)	
Addisons Lawyers	Madgwicks Lawyers
Baker and McKenzie	Minerva Corporate
Biztrack Consultants	Minter Ellison - Adelaide
Burrell Stockbroking	Nexia Australia
Clayton Utz	Oakhill Hamilton Pty Ltd
Collins Street Group Pty Ltd	Pritchard & Partners Corporate Finance
Connell Lawyers	Shanghai ChuCheng Investment Management
Crowe Horwath Corporate Finance	Southasia Advisory
Eakin McCaffery Cox	Sparke Helmore Lawyers
FS Capital Ltd	Steinepreis Paganin
Highgate Corporate Advisors Pty Ltd	Taylor Collison Limited
HLB Chessboard Pty Ltd	the MBA Partnership Pty Ltd
HopgoodGanim Lawyers	Walker Wayland Services Pty Limited
IQ3 Corp Limited	Wellington Capital Limited
Kings Park Corporate Lawyers	Whittens & McKeough Pty Limited

Advisers may have additional responsibilities to their clients in addition to those responsibilities stated above.

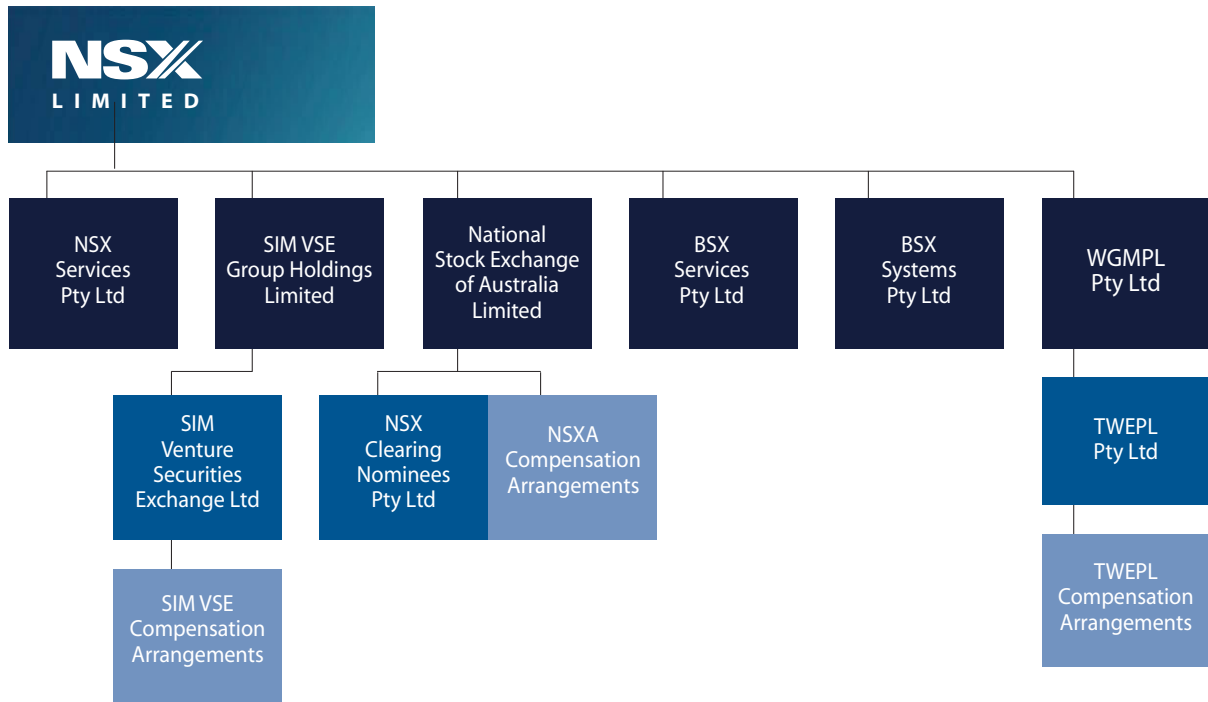
TECHNOLOGY

The trading system for equities markets is supplied by NASDAQ. The system has the ability to expand to other trading classes and markets as required. NSXA hosts the South Pacific Stock Exchange and the IR Plus trading facilities on its platform.

NSXA is Recognised Market Operators in the ASX Settlement CHES system for the settlement of equity trades. Equity trades are settled via the batch Delivery versus Payment mechanism. NSXA also allows the settlement of nominated securities by certificates on a broker to broker basis rather than through CHES.

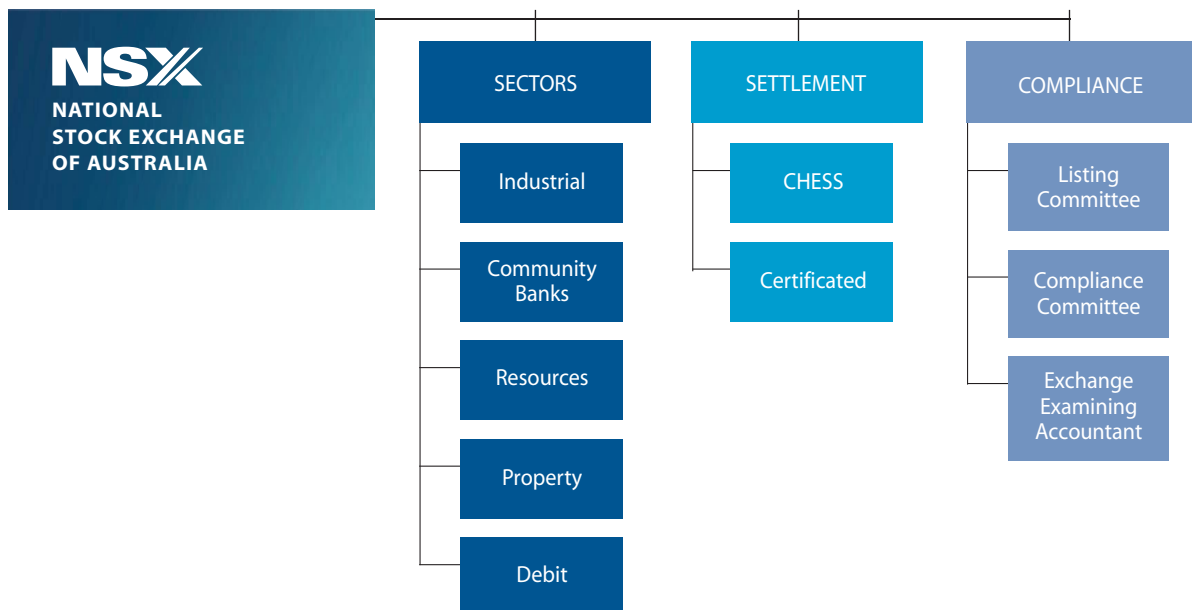
NSX GROUP STRUCTURE

The NSX Limited group structure below depicts the entities that are responsible for the operation of the Stock Exchange and their respective compensation funds arrangements.



MARKET STRUCTURES

The National Stock Exchange of Australia (NSXA) is able to accommodate many different types of equity and equity related securities on its markets.



Financial Markets Supervision

NSXA is supervised by the Australian Securities & Investments Commission ("ASIC") and is subject to an annual review as required by section 794C of the *Corporations Act 2001*. Under the Australian Market Licence, Market Licencee's primary obligations are to conduct a fair, orderly and transparent market. It is an obligation placed on the directors of each Licencee to ensure that the Licencee has sufficient resources to meet its obligations.

As part of this role, the Licencee reviews the trading activity and disclosure of its Listed Issuers as well as the operations of its Participants. For listed issuers, this means adherence to the continuous disclosure regime and also periodic disclosure as required by the Listing Rules so as to maintain an informed market. For Participants, this means adherence to the Business Rules; adherence to high standards in trading and settlement of transactions; monthly submission of Surplus Liquid Funds reports; and annual reviews by NSXA of Participant operations. From 1 August 2010 this also means adherence to ASIC Market Integrity Rules.

The following outlines some of the committees and structures operating within the NSX Limited Group that supervise the markets.

LISTING & ADMISSIONS COMMITTEE

The Listing & Admissions Committee (LAC) operates under a charter from the Board of the National Stock Exchange of Australia Limited.

The role of the Listing & Applications Committee is to review applications for listing by Issuers, Participant brokers and Nominated Advisers. Only if the information provided by companies is acceptable as being sufficient to ensure an informed market in the relevant securities will a recommendation for acceptance of admissions to the Official List be made.

COMPLIANCE COMMITTEE

The Compliance Committee operates under a charter from the Board of the National Stock Exchange of Australia Limited.

The role of the Committee is as follows:

- Recommend waivers from Listing Rules;
- Review and Monitor Participant obligations in accordance with the NSX Business Rules;
- Make recommendations to the Board concerning Participant obligations, breaches of the Business Rules and disciplinary action, including suspension and removal of Participant recognition; and
- Adjudicate on appeals.

Also in operation is an independent Compliance Officer whose responsibilities are to Chair the Compliance Committee, report to the Board on Compliance matters and report to ASIC on Compliance matters as required.

EXCHANGE EXAMINING ACCOUNTANT

The external Exchange Examining Accountant ("EEA") operates under a service agreement from the National Stock Exchange of Australia Limited to provide reviews of Participant Surplus Liquid Funds.

Participants are required to submit monthly Surplus Liquid Funds reports to the EEA showing, amongst other things, how they are meeting their capital adequacy requirements. Participants failing to meet business rule requirements are referred to the Compliance Committee.

COMPENSATION ARRANGEMENTS

NSXA maintains investor confidence in the integrity of the markets by regulating the conduct of market participants and monitoring market activity for any irregularities. The NSXA Compensation arrangements provide a mechanism whereby retail clients of Participants may claim recompense for losses under certain circumstances as defined by the *Corporations Act 2001*.

From 11th March 2004 the Fidelity Fund operates under Part 7.5 of the *Corporations Act 2001* for the purpose of covering Division 3 losses specified by section 885C, but excluding losses under section 885D.

Information about the Compensation Arrangements for NSXA is available from the NSXA website. A Market Licencee is obliged to maintain this arrangement for six months after a Market Licencee ceases to hold an Australian Markets Licence.

COMPLAINT HANDLING

The NSXA takes pride in providing the highest degree of market integrity. With this in mind, NSXA welcomes all efforts by the public to ensure that NSXA maintains excellence in regulation.

Examples of situations where a complaint may be filed with the NSXA are:

- Disclosure practices of NSXA listed companies;
- Poor execution of an order by a Participant of NSXA;
- Possible violations of operating rules by any Participant of NSXA;
- Listing or Business rules of NSXA;
- Possible insider trading or market manipulation;
- Compensation arrangements; and
- Complaints about NSXA Products and Services.

Information about making complaints is available from the NSXA website as well as a form for lodging a complaint. All complaints must be made in writing outlining the full details of the complaint and cannot be anonymous.

Corporate Governance

The NSX Limited Board has put in place measures to strengthen its Corporate Governance regime with the overall aim of meeting the ASX Corporate Governance Council Guidelines and best practice recommendations on a continual basis.

BOARD CHARTER

The Board charter sets out the role, composition and responsibilities of the Board of NSX Limited ("NSX") within the governance structure of NSX and its wholly owned entities ("the NSX Group"). The conduct of the Board is also governed by the Constitution of NSX. The charter covers areas such as:

- Board Responsibilities;
- Term of membership of the Board;
- The role of the Chairman;
- Separation of functions between Chairman and Chief Executive Officer;
- Restriction on activities of Chief Executive Officer and Chairman;
- The role of the Company Secretary;
- Scope of activities of the Board; and
- Reporting by the Board.

CODE OF ETHICS AND CONDUCT

The NSX is committed to conducting its business in a way that is open and accountable to shareholders and the wider marketplace. NSX believes that its corporate governance practices as a public company are of a high standard. The Code of Ethics and Conduct applies to both directors and employees of NSX.

The objective of the Code is to ensure that:

- (a) high standards of corporate and individual behaviour are observed by all NSX directors and employees in the context of their employment and activities with NSX;
- (b) directors and employees are aware of their responsibilities to NSX under their contract of employment; and
- (c) all persons dealing with NSX whether it be directors, employees, shareholders, suppliers, customers or competitors can be guided by the stated values and policies of NSX.

The code covers such areas as:

- NSX's responsibilities to shareholders;
- Care and Diligence;
- Conflicts of Interest;
- Confidentiality;
- Fair Dealing;
- Use of Company Assets;
- Dealing Rules;
- Privacy; and
- Monitoring and reporting of the Code.

CORPORATE GOVERNANCE

In March 2003, the ASX Corporate Governance Council published the 'Principles of Good Corporate Governance and Best Practice Recommendations'. This publication is the basis for the NSX's own corporate governance statement as a listed entity. The NSX does not believe in a one size fits all approach and has responded to the guidelines appropriately with respect to the size of its business.

The statement document is structured along the same lines as the Council's guidelines, with sections dealing in turn with each of the Council's eight corporate governance principles as follows:

1. Lay solid foundations for management and oversight;
2. Structure the board to add value;
3. Act ethically and responsibly;
4. Safeguard integrity in corporate reporting;
5. Make timely and balanced disclosure;
6. Respect the rights of security holders;
7. Recognise and manage risk; and
8. Remunerate fairly and responsibly.

Summaries of the relevant codes, policies and charters are available from the NSX website.

CORPORATE GOVERNANCE STATEMENT

ASX Listing Rule 4.10.3 requires companies to include a statement in their annual report that outlines the extent to which it has followed the ASX Corporate Governance Council's "Principles of Good Corporate Governance" (Principles) and the "Best Practice Recommendations" (Recommendations) (together referred to as the Guidelines).

For convenience, the measures adopted to ensure compliance with the Guidelines are presented in a tabular format below. In most cases, NSX has adopted the Guidelines per se, however where this has not been possible NSX has highlighted the steps taken to ensure compliance with the intent or 'spirit' of the Guidelines on an "if not, why not basis". The following table is compliant according to the 3rd edition of the Corporate Governance Council's Principles published on 27 March 2014 effective up until 30 June 2016. As per ASX Listing Rule 4.7.3 NSX lodges Appendix 4G: Key Disclosures – Corporate Governance Council Principles and recommendations that became effective 1 July 2014 at the same time as this Annual report.

The following table summarises NSX compliance with ASX Corporate Governance Council's guidelines. Shaded sections are Guidance Principles, while unshaded sections are NSX's responses. NSX's Corporate Governance statement is also available on its website (<http://www.nsx.com.au/about/governance>).

Principle	Compliance/Response	References
Principle 1	Lay solid foundations for management and oversight.	
Recommendation 1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	
NSX Response	The NSX Board Charter makes it clear that the roles of Chairman and Chief Executive Officer are to be separate and distinct. The charter is available from the NSX website. The charter provides information on roles of responsibilities of the Board, the Chair person and management.	NSX Board Charter NSX Corporate Governance Statement

Principle	Compliance/Response	References
Recommendation 1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	
NSX Response	On appointment new Board members are provided a questionnaire where they are required to disclose information about their bankrupt status and good fame and character. Also Australian police checks are also carried out. Security holders are provided information on existing and newly appointed Directors when Directors are due for election. This information is provided in the Notice of meeting documents.	NSX Board Charter NSX Corporate Governance Statement NSX Remuneration and Nomination Committee Charter NSX Annual report Notice of Meeting documents
Recommendation 1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	
NSX Response	All executive directors and senior management have applicable written agreements.	NSX Annual Report Remuneration Report
Recommendation 1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	
NSX Response	The Company Secretary reports to the Chairman of the Board.	NSX Board Charter
Recommendation 1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	
NSX Response	The NSX maintains a diversity policy which is published on the NSX website. The employment constituency is made up as follows: <ul style="list-style-type: none"> • 33% of Directors are women. • 33% of senior executives are women. • 57% of all employees are women. NSX Limited is not defined as a relevant employer under the workplace Gender Equality Act. The diversity policy publishes the relevant diversity targets as follows:	NSX Board Charter NSX Diversity Policy NSX Annual Report

Principle	Compliance/Response	References								
	<table border="1"> <thead> <tr> <th>Target</th> <th>By When</th> </tr> </thead> <tbody> <tr> <td> (1) at Board level At least one of the next 2 Board appointments desirably should be female with appropriate skills and attributes. </td> <td>When it is appropriate to expand or refresh the Board.</td> </tr> <tr> <td> (2) at Executive level At least one of the next 2 executive appointments desirably should be female with appropriate skills and attributes. </td> <td>When it is appropriate to expand or refresh the executive team.</td> </tr> <tr> <td> (3) generally Subject to the qualifying note under this item 2(c), not less than 33% of new appointments should be male and not less than 33% of new appointments should be female. </td> <td>Annually by 30 June each year.</td> </tr> </tbody> </table>	Target	By When	(1) at Board level At least one of the next 2 Board appointments desirably should be female with appropriate skills and attributes.	When it is appropriate to expand or refresh the Board.	(2) at Executive level At least one of the next 2 executive appointments desirably should be female with appropriate skills and attributes.	When it is appropriate to expand or refresh the executive team.	(3) generally Subject to the qualifying note under this item 2(c), not less than 33% of new appointments should be male and not less than 33% of new appointments should be female.	Annually by 30 June each year.	
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Recommendation 1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>									
NSX Response	<p>The processes for evaluation of Board members is available in the NSX Remuneration and Nomination Committee Charter available from the NSX website.</p> <p>The NSX Board undertakes the review as is appropriate to the size and operations of its business and organisation at appropriate times during the year.</p>	<p>NSX Board Charter</p> <p>NSX Remuneration and Nomination Committee Charter</p>								
Recommendation 1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>									
NSX Response	<p>The processes for evaluation of Board members is available in the NSX Remuneration and Nomination Committee Charter available from the NSX website.</p> <p>A performance evaluation was not undertaken of senior executives.</p>	<p>NSX Remuneration and Nomination Committee Charter</p>								

Principle	Compliance/Response	References
Principle 2	Structure the board to add value.	
Recommendation 2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	

NSX Response

The NSX Board consists of 3 directors, including the Chairman - Michael Cox, Executive Director Ann Bowering and Non-Executive Director Thomas Price.

Applying the independence test outlined in the Principles, the NSX considers that the independent directors are Tom Price and Michael Cox.

The Board is cognisant off the need for independence and so has in place policies to mitigate for the emergence of a lack of independence at any point in time. The independence of the Board is supported by adherence by the Board to various policy documents.

These documents require that:

- (a) new directors inform the Board of any perceived bias or conflicts of interest before their appointment,
- (b) serving directors bring any potential conflicts of interests to the notice of the Board prior to the commencement of each meeting,
- (c) any conflicted director will absent him or herself from voting on that particular matter;
- (d) Non-executive Directors can hold independent meetings before scheduled full board meetings in the absence of management; and
- (e) Has established external committees to oversee listing and compliance of listed entities that are regulated by NSX.

The Board is of the view that this is the best arrangement to grow the business of the NSX in the current development cycle of the Company.

NSX Code of Ethics and Conduct

NSX Corporate Governance Statement

NSX Conflicts of Interest Policy

Procedures for the maintenance of the conflicts of interest register

Procedures for appointment of new directors or senior officers to NSX

Principle	Compliance/Response	References
Recommendation 2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	
NSX Response	The Board is currently comprised of three members. The Board is not currently seeking to appoint new members. However the Board would appoint a new member on the basis that that potential member is able to significantly help to grow the business. Therefore the Board does not currently publish a skills matrix.	NSX Annual report
Recommendation 2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	
NSX Response	The NSX Board consists of 3 directors, including the Chairman - Michael Cox, Executive Director Ann Bowering and Non-Executive Director Thomas Price. Applying the independence test outlined in the Principles, the NSX considers that the independent directors are Tom Price and Michael Cox. The Board is cognisant off the need for independence and so has in place policies to mitigate for the emergence of a lack of independence at any point in time. The independence of the Board is supported by adherence by the Board to various policy documents. The Board is of the view that this is the best arrangement to grow the business of the NSX in the current development cycle of the Company.	NSX Annual Report NSX Disclosure of Conflicts of Interest and review parties NSX Website
Recommendation 2.4	A majority of the board of a listed entity should be independent directors.	
NSX Response	Applying the independence test outlined in the Principles, the NSX considers that the independent directors are Tom Price and Michael Cox. The Board is cognisant off the need for independence and so has in place policies to mitigate for the emergence of a lack of independence at any point in time. The independence of the Board is supported by adherence by the Board to various policy documents. The Board is of the view that this is the best arrangement to grow the business of the NSX in the current development cycle of the Company.	NSX Annual Report NSX Disclosure of Conflicts of Interest and review parties NSX Website

Principle	Compliance/Response	References
Recommendation 2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO/Managing Director of the entity.	
NSX Response	The Chairman is not the same person as the Managing Director.	Board Charter NSX Annual Report
Recommendation 2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	
NSX Response	New directors are given a package of relevant information concerning the Company.	Board Charter
Principle 3	A listed entity should act ethically and responsibly.	
Recommendation 3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	
NSX Response	<p>NSX has in place a number of procedures and policy documents to guide the directors and Chief Executive Officer in making ethical and responsible decisions.</p> <p>The NSX Code of Ethics and Conduct requires that all directors and employees uphold high standards honesty, fairness and equity in all aspects of their employment and or association with NSX.</p> <p>Additionally, the Procedures for dealing in securities sets out the rules relating to dealings by employees and directors in financial products traded on NSX markets. The Procedures restate the Corporations Act prohibition on insider trading, improper use of inside information and the prohibition on making gains by improper use of position.</p> <p>The Procedures also place prohibitions on employees and directors in dealing with NSX shares at certain times of the year.</p> <p>Each individual must abide by these policies and procedures in order to contribute to the high standard of integrity expected by the NSX.</p> <p>NSX declares on its website the conflicts of interest each director and Senior Officers have as well as those entities either Advisers, Participants or Listed Issuers that have been declared as review parties due to some association with either a Director or a Senior Officer which may put either party in direct conflict.</p>	<p>Procedures for appointment of new directors or senior officers to NSX</p> <p>Procedures for dealing in securities by Directors, Officers and Employees of NSX</p> <p>NSX Code of Ethics and Conduct</p> <p>NSX Conflicts of Interest Policy</p> <p>Procedures for dealing in securities by Directors, Officers and Employees of NSX</p> <p>NSX Disclosures of Conflicts of Interest and review Parties</p> <p>NSX Website</p>

Principle	Compliance/Response	References
Principle 4	Safeguard integrity in corporate reporting.	
Recommendation 4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	

NSX Response

NSX accepts the importance of safe guarding the integrity of its financial reporting systems. The Board sees that this obligation requires conduct at two levels.

First, it requires the Board members to take steps to maintain the integrity of its reporting systems that is with respect to being properly resourced to produce relevant reports. Secondly, this requirement obligates NSX to adopt strategies to verify and safeguard the integrity of those financial reports.

The Board has established an Audit & Risk Committee but it is currently inactive. The Board oversees this function.

Secondly, the Board considers that the Board is of sufficient size and possesses sufficient technical accounting and commercial expertise to ensure NSX carries out its reporting obligations.

The integrity of NSX financial reporting is promoted by the following:

1. That at least one director has significant accounting experience and expertise;
2. NSX is not so large as to warrant resources beyond that of the existing board being utilised;
3. The NSX Board engages with its auditors on a regular basis;
4. As NSX continues to develop the sophistication of its markets and business structure the board will reassess its position in relation to its reporting safe guards.

The Board is of the view that this is the best arrangement to grow the business of the NSX in the current development cycle of the Company.

Board Charter
Audit & Risk Committee
Charter

Principle	Compliance/Response	References
Recommendation 4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	
NSX Response	The Board and auditors are provided with a management representation letter attesting to the above requirements.	Audit & Risk Committee Charter
Principle 5	Make timely and balanced disclosure.	
Recommendation 5.1	A listed entity should: <ul style="list-style-type: none"> (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it. 	
NSX Response	The Compliance Plan is designed to ensure that company announcements are made in timely manner, are factual, do not omit material information and are expressed in a clear and objective manner. The plan provides a 'road map' of NSX compliance with its disclosure obligations.	Compliance Plan
Principle 6	Respect the rights of security holders.	
Recommendation 6.1	A listed entity should provide information about itself and its governance to investors via its website.	
NSX Response	<p>The NSX Shareholder Communications Policy states that the NSX is committed to timely and accurate disclosure of information to shareholders.</p> <p>As outlined in the Policy NSX carries out its obligations to inform its shareholders by doing to following:</p> <ol style="list-style-type: none"> 1. maintaining and regularly updating its web site; 2. making available electronic copies of annual reports to shareholders; 3. operating a free email newsletter service where shareholders and members of the public can subscribe by entering in their email address and also RSS feed syndications; 4. accepting nominations for the board of NSX that are made to the Company Secretary in accordance with the NSX constitution; 5. strictly applying the Procedures for the Dealing in Securities by Directors and Employees; and 6. NSX sends information to shareholders each year where those shareholders have provided an email address. NSX also publishes information on its website (www.nsx.com.au) in a dedicated shareholders area. 	NSX Shareholder Communications Policy

Principle	Compliance/Response	References
Recommendation 6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	
NSX Response	This is disclosed in the Shareholder Communications Policy.	NSX Shareholder Communications Policy
Recommendation 6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	
NSX Response	These are contained in the NSX Shareholder communications policy.	NSX Shareholder Communications Policy
Recommendation 6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	
NSX Response	This option is provided by the NSX share registry service.	NSX Shareholder Communications Policy
Principle 7	Recognise and manage risk.	
Recommendation 7.1	The board of a listed entity should: <ul style="list-style-type: none"> (a) have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework. 	
NSX Response	As stated in the NSX Corporate Governance Statement, NSX Compliance Officer has responsibility for reviewing the compliance framework and policies within NSX, while the Board assesses risk policies and framework associated with the NSX.	NSX Corporate Governance Statement Board Charter NSX Risk Framework

Principle	Compliance/Response	References
Recommendation 7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	
NSX Response	<p>Management reports to the Board on its operations. This includes any analysis of risks facing the business.</p>	<p>NSX Corporate Governance Statement</p> <p>Board Charter</p> <p>Compliance Plan</p> <p>NSX Risk Framework</p>
Recommendation 7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	
NSX Response	<p>The NSX does not have a dedicated internal audit function. However through a mixture of Board oversight, Compliance Committee and management the Board is able to monitor the effectiveness of its risk management framework.</p> <p>The Board is of the view that this is the best arrangement to grow the business of the NSX in the current development cycle of the Company.</p>	<p>NSX Risk Framework</p>
Recommendation 7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks³⁹ and, if it does, how it manages or intends to manage those risks.</p>	
NSX Response	<p>These disclosures are provided in the Annual Report and Risk Framework.</p>	<p>NSX Annual Report</p> <p>NSX Risk Framework</p>

Principle	Compliance/Response	References
Principle 8	Remunerate fairly and responsibly.	
Recommendation 8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; 43 or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	
NSX Response	<p>The Board has established a Remuneration and Nomination Committee. The committee consists of the current Board members.</p> <p>The Board is of the view that this is the best arrangement to grow the business of the NSX in the current development cycle of the Company.</p>	Remuneration and Nomination Committee Charter
Recommendation 8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	
NSX Response	Disclosed in the Remuneration and Nomination Committee Charter.	Remuneration and Nomination Committee Charter
Recommendation 8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	
NSX Response	There are no share based payment schemes. This section is not applicable.	

TRADING POLICY

NSX is concerned with minimising conflicts of interest within its business. Conflicts which arise through dealing in securities listed on NSX Markets can potentially affect objective decision making within the group. The Trading Rules are designed to assist in preventing breaches of the insider trading provisions of the Corporations Act. Ultimately, it is the responsibility of the employee or director to ensure that none of his or her dealings could constitute insider trading.

NSX employees and directors may have in their possession sensitive commercial or compliance information which could materially affect the value of financial products traded on NSX markets or on other markets (where such products are related to products traded on NSX markets), including NSX Limited securities.

The suggestion of insider trading by an employee or director would do great harm to the employee/director and also to NSX irrespective of whether insider trading actually occurs or is proven. The *Corporations Act 2001* prohibits insider trading in relation to financial products. The provisions are wide ranging and breaches are serious offences.

The procedures cover the following areas:

- Insider Trading Prohibition;
- Other relevant *Corporations Act* provisions;
- Dealing in Shares issued by NSX Limited and its controlled entities;
- Prohibition on Dealing in Financial Products issued over NSX Shares by Third Parties;
- Dealing in listed financial products traded on NSX's markets and other markets unrelated to NSX shares; and
- Related Parties & Relevant Interests.

These documents are published on the NSX shareholder website (www.nsx.com.au)

AUDIT & RISK COMMITTEE

The Audit and Risk Committee structure is currently inactive as the NSX Board oversees these functions. The Board is of the view that this is the best arrangement to grow the business of the NSX in the current development cycle of the Company.

The primary function of the Committee is to assist the Board of Directors of the NSX Limited to carry out the following:

- monitor the integrity of the NSX Group's statutory financial reports and statements;
- monitor management's framework to identify and manage enterprise risk and internal control for the NSX Group;
- monitor compliance, in conjunction with the NSX Compliance Committee, with laws and regulations and code of conduct for the NSX Group; and
- monitor the performance and independence of the external auditor.

When considering the financial reports and statements of the NSX Group, the Committee relies on the Board of each NSX Group controlled entity to review and consider their respective financial statements, risk management processes, internal controls and compliance systems. The Committee receives confirmation of these matters through the annual reports of the respective entity boards to the NSX Board.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee structure is currently inactive as the NSX Board oversees this function. The Board is of the view that this is the best arrangement to grow the business of the NSX in the current development cycle of the Company.

The Committee's primary functions are to:

- review director competence standards;
- review Board succession plans;
- evaluate the Board's performance;
- make recommendations for the appointment and removal of directors to the Board; and
- make recommendations to the Board on, executive remuneration and incentive policies, the remuneration packages of senior management, recruitment, retention and termination policies for senior management, incentive schemes, and remuneration for directors.

CONFLICTS OF INTEREST – DECLARED CONFLICTS AND REVIEW PARTIES

As part of the requirements of its corporate governance arrangements and as a part of the obligations for holding two Australian Market licences able to operate Stock Exchanges in Australia, NSX has a number of policies and procedures to help manage conflicts of interests that its officers and employees may face in the course of their day to day activities.

Further, NSX has obligations to disclose potential or actual conflicts of interest. Disclosure is in two forms (1) the conflicts of interest that officers and staff may have to manage on a day to day basis and (2) conflicts that NSX, its officers and its staff may have when the NSX supervises third parties known as Review Parties.

A commercial conflict of interest is a situation where an employee interest and NSX interest(s) are in conflict and the employee gives preference to the employee's interest usually for a financial gain or other benefit, ahead of the interest(s) of NSX. For example a director or employee is involved with a supplier to NSX, a Nominated Adviser, a Participant of NSX or a listed Issuer on NSX and by the Director or employee actions that Participant or Issuer derives a benefit that they would not have ordinarily obtained.

Further, where NSX supervises competitors who are Participants of the NSXA or SIMVSE markets, then there is potential for conflict if the NSX makes a decision, unfairly, that is to the detriment of that competitor. Also, there may be a regulatory conflict where NSX's commercial interests or those commercial interests of the parties that Directors and Staff are involved with potentially override the regulatory obligations of the NSX as a holder of Australian Market Licences.

Table of Declared Conflicts

Director or Officer	Relationship to NSX	Nature of potential or actual Conflict
Brian Price	Director of SIMVSE	Director Exchange Technology Investments Pty Ltd 9.58% shareholding of NSX Limited.
Tom Price	Director of NSX	None
Michael Cox	Director of NSX	None
Ann Bowering	Director NSX Limited Managing Director NSX	None

NSX makes this information available on its website www.nsx.com.au/governance.



Financial Statements

FOR THE YEAR ENDED 30 JUNE 2016

ABN 33 089 447 058

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Director's Report

Your directors present their report on the company and its controlled entities for the financial year ended 30 June 2016.

DIRECTORS

The names of the directors in office at any time during, or since the end of, the year are:

Ann Bowering	Appointed 25 May 2009
Thomas Price	Appointed 17 November 2009
Michael Cox	Appointed 23 November 2009

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Scott Evans, General Manager (appointed 24 September 2001) and Company Secretary B.Ec (hons), GAICD, SA Fin, (appointed 7 March 2006). He previously worked for the Australian Securities Exchange as National Manager, Information Products and for Reuters PLC as Historical Database Manager Asia/Pacific. Mr Evans has extensive experience in the finance industry, in managing companies and reviewing NSX listed entities compliance with the listing rules. Mr Evans is responsible for finance, surveillance, compliance, trading, settlement, technology and market operations.

PRINCIPAL ACTIVITIES

The principal activities of the Economic Entity during the financial year were the operation of the National Stock Exchange of Australia Limited.

OPERATING RESULTS

The net loss of the Economic Entity for the financial year after providing for income tax amounted to \$1,484,186 (2015: loss of \$1,397,376).

An analysis of the factors contributing to this result is provided in the Review of Operations section (below).

DIVIDENDS PAID OR RECOMMENDED

The Directors do not recommend the payment of a dividend. No dividends have been paid or declared during or since the end of the financial year.

REVIEW OF OPERATIONS

REVENUE

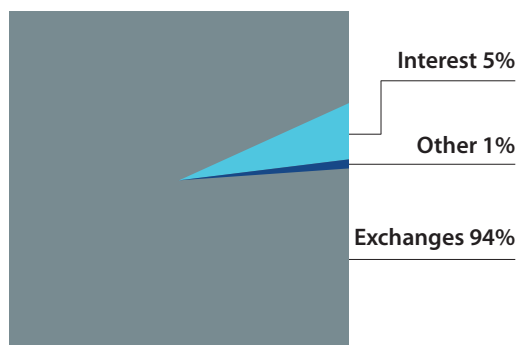
Out of total revenue, receipts associated with the operation of the stock exchange business accounts for 94% of total revenue.

Gross revenue has increased by 16% due to the increased number of companies applying and successfully listing during the financial year and an increase in annual listing fee rates from 1 July 2015.

Interest received increased by 13% due to higher cash balances held within the NSX Group.

Other revenue has increased to \$12,700 for other exchange services.

Changes in Revenue Categories from 30 June 2016 vs. 30 June 2015 (Table 1)



30 June Revenue Category	NOTES	2016 \$'000	2015 \$'000	Change %
Exchange Revenue	2	1,836.0	1,586.6	16
Interest Received	2	97.1	85.7	13
Other Revenue	2	12.7	0.6	2,017
Total Revenue		1,945.8	1,672.9	16

EXPENSES

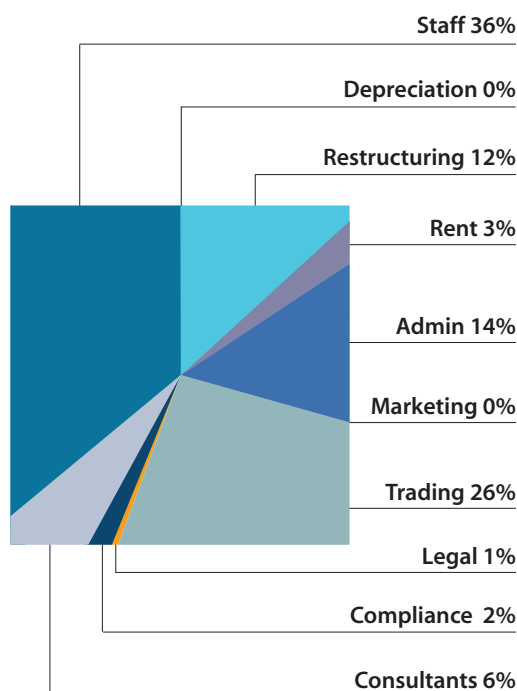
Gross operating expenses increased by 13% from \$3.0 million to \$3.4 million. The following is an explanation of major movements within each expense category that led to the above result.

Depreciation, amortisation and impairments increased by 75% due to the purchase of property, plant and equipment and a resulting increase in depreciation.

Employee benefits expense increased by 2% due the employment of a new CEO in SIMVSE as well as a new director in SIMVSE.

Consultancy expenses includes contractor payments, external advisers and payments to Financial and Energy Exchange for the services of Ann Bowering as CEO of the SIMVSE Joint Venture up until March 2016. This expense decreased by 13% due to unwinding of the CEO arrangements for SIMVSE joint venture.

Compliance expense includes any activities associated with the external committees for the Exchanges such as the Listing and Admission Committee and the Compliance Committee. It also includes any other compliance related expenses not classified elsewhere in the accounts. This expense decreased by 13% due to decreased activities.



REVIEW OF OPERATIONS (CONT)

Legal and professional expenses includes any payments to outside legal and professional representation. This expense decreased by 30% due to the professional due to reduced requirements during the year.

Market trading expenses encompasses any costs associated with running the trading and settlement activities of the exchanges, including trading systems, websites, fees to regulators and key service provider costs that can be identified as contributing to the operation of the markets. This expense also includes fees associated with NSX participation in the ASX Settlement Facilitation Service as well as ASIC annual fees for the Stock Exchanges' Market Licences. This expense increased by 2% during the year due a CPI increase in fees.

Marketing and promotion includes any costs associated with external promotion of the Exchanges such as sales activities at exhibitor conferences, business development related travel and rental of external venues to hold listing ceremonies. Expenditure has decreased by 67% due to decreased promotional activities performed by management during the period.

Occupancy expense includes any expense related to the three offices maintained by NSX in Sydney, Melbourne and Newcastle during the year. This expense has decreased by 16% due the relocation of the Melbourne and Sydney offices to less expensive locations.

General administration and other expenses have decreased by 0.3%.

Restructuring costs of \$415,000 as provision for the costs associated with the closure of Melbourne and Newcastle offices and staff redundancy entitlements.

30 June Expense Category	2016 \$'000	2015 \$'000	Change %
Employee benefits expense	1,231.7	1,209.4	1.8
Depreciation, amortisation and impairments	15.6	9.0	73.3
Consultancy expenses	203.1	233.3	-12.9
Compliance expenses	54.5	62.5	-12.8
Legal expenses	18.9	27.3	-31.0
Market trading expenses	883.3	864.9	2.1
Marketing and promotion expenses	15.5	46.7	-66.8
Occupancy expenses	120.4	143.8	-16.3
Administration & Other expenses	471.9	473.3	-0.3
Restructuring Expenses	415.0	-	100.0
Total Expenses	3,429.9	3,070.2	12

CONSOLIDATED SUMMARY

The operating loss for the Group was \$1.484 million for the period (6% increase on the previous period's operating loss). After excluding restructuring costs of \$0.4 million, the underlying performance of the operations of the business improved by 23% or \$0.3 million to a loss of \$1.069 million.

Factors leading to this result are explained in the revenue and expense analysis sections below. The Group maintains a cash balance of \$7.4 million at the end of the period. Of the cash held, \$2.2 million is held as part of the Stock Exchange market compensation arrangements and other general guarantees leaving \$5.2 million as working capital for the NSX Group as at 30 June.

Earnings per share (EPS) increased from (1.3) cents per share to (1.1) cents per share or an increase of 21% based on a weighted average number of shares of 140,582,000. Net tangible asset backing per share improved from 2.0 cents to 4.9 cents or 152%.

The NSX Group successfully completed a placement during the year to provide further working capital.

The following table provides summary of the group results.

30 June Summary	2016 \$'000	2015 \$'000	Change %
Revenue	1,946	1,673	16
Expenses excluding restructuring costs	3,015	3,070	-2
Operating loss	(1,069)	(1,397)	-23
Expenses including restructuring costs	3,430	3,070	12
Net loss after tax	(1,484)	(1,397)	6

Key Statistics	2016	2015	Change %
Earnings per share (cents)	(1.1)	(1.3)	21
Net tangible asset backing (cents)	4.91	1.95	152
Share price at end of period (cents)	22.0	8.1	172
Shares on Issue at end of period (mil)	147.9	131.4	13
Market capitalisation (\$'mil)	32.5	10.6	206
Cash at bank (\$'000)	7,466	2,434	206
Cash held for statutory purposes (\$'000)	2,200	2,200	0
Working Capital (\$'000)	5,266	234	2,150

INFORMATION ON DIRECTORS

Michael Cox	Non-Executive Director, Chairman
Qualifications	BSc (USyd), LLB(UTS), Cert Acc, Dip Gem, Dip DT, FIPA, MAICD, FGAA
Appointed	23 November 2009
Directorships held in other listed entities:	Nil
Interest in Shares and Options:	4,043 Fully paid ordinary shares 700,000 Partly paid shares paid to 1 cent

EXPERIENCE

Mr Cox had 10 years of experience in the securities industry prior to acting as corporate consultant and professional director. Mr Cox was formerly a director of other public companies including Benitec Ltd, Queensland Opals NL, Australian Environmental Resources NL and is a director of a number of private and public unlisted companies.

Mr Cox was CEO of the NSX at the time it listed on the ASX and merged with the Bendigo Stock Exchange. Mr Cox is a partner in Solidus Financial Services – public accountants.

Thomas Price	Non-Executive Director
Qualifications	B.Arts (Macquarie)
Appointed	17 November 2009
Directorships held in other listed entities:	Nil
Interest in Shares and Options:	Nil

EXPERIENCE

Mr Price is an Executive Director of the Financial & Energy Exchange Limited (FEX), a Director of the Australian Market licensed interest rate and currency swap market operator, Mercari Pty Ltd, and a Strategy Advisor on the environmental product development joint venture between FEX, Macquarie Capital Group and Climate Exchange plc (Envex).

In his role at FEX, Mr Price is responsible for the overall implementation of operational technology and regulatory infrastructure for business development including the proposed energy, commodity and environmental derivative markets. He works closely with NASDAQ on technology issues and is also responsible for overall market connectivity infrastructure for the FEX group.

Previously, Mr Price was an Australian based Derivative Asset Manager and Consultant with over 15 years experience in derivative transactions, derivatives trading and option pricing.

INFORMATION ON DIRECTORS (CONT)

Ann Bowering	Executive Director, Chief Executive Officer of SIM Venture Securities Exchange Ltd
Qualifications	B.Comm Acc & Fin, CA
Appointed	25 May 2009
Directorships held in other listed entities:	Nil
Interest in Shares and Options:	Nil

EXPERIENCE

Ms Bowering has a unique combination of global capital markets, professional service firm, corporate governance, and commercial expertise developed over a 20 year career in global financial markets. Ms Bowering's expertise in the operation of licensed and regulated financial markets has come through her previous roles as Chief Financial Officer and Executive Director of Financial & Energy Exchange Limited, and as a Director of NSX Limited (ASX: NSX) and its subsidiary entities. Ms Bowering was also a Director and CEO of SIM Venture Securities Exchange.

Ms Bowering commenced her career at KPMG in 1995, where over the course of twelve years she held a number of roles covering the specialisations of M&A and Capital Markets Advisory, Risk Management and Assurance. During that time she had the opportunity to work in the Melbourne, Houston (USA) and Sydney offices of the firm, and developed a specialisation in the energy and commodities sectors. Following her career at KPMG, Ms Bowering was appointed as Head of Business Development and Operations at Lucsan Technology, where her core responsibility and achievement was to drive rapid business growth in the financial services technology firm.

MEETINGS OF DIRECTORS

During the financial year, 14 (2015: 11) Meetings of Directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Special Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Michael Cox	13	13	1	1
Thomas Price	13	13	1	1
Ann Bowering	13	13	1	1

Special meetings encompass Annual General Meetings and any other General Meetings of shareholders.

MEETINGS OF AUDIT AND RISK COMMITTEE

Due to the size of the organisation the functions of the Audit Committee are performed by the entire Board. The Board has two accounting qualified Board members.

MEETINGS OF REMUNERATION AND NOMINATION COMMITTEE

Due to the size of the organisation the functions of this committee are performed by the entire Board.

DIRECTORS' AND CHIEF EXECUTIVE OFFICERS' EMOLUMENTS

REMUNERATION REPORT (AUDITED)

The remuneration for each director and each of the top five key executive officers of the Economic Entity receiving the highest remuneration, and the remuneration policy during the year is disclosed in Note 20 of the financial statements. Additional *Corporations Act 2001* section 300A disclosures are tabled below.

As a listed company, NSX is obligated to disclose specific information in relation to the remuneration of its directors and staff. For convenience a table has been included (starting at page 39), which identifies each obligation and NSX's response to each of these requirements.

Director Remuneration

Approved by shareholders at the AGM of 20 December 2004, the remuneration pool for non-executive directors is \$200,000 per annum inclusive of any superannuation guarantee remittances. Non-executive Chairman and Director fees are comprised of a fixed component being \$87,600 and \$43,800 respectively inclusive of superannuation. Executive director fees for service are by mutual agreement with the Board. Disclosures for director fees and allowances actually paid during the financial year are provided in Note 20.

Chairman of Directors – Michael Cox

For performance of the roles of Chairman and Director Mr Cox is paid a stipend of \$87,600 inclusive of superannuation.

The actual remuneration paid to Mr Cox for the year ended 30 June 2016 is provided in Note 20. Related Party transactions with Mr Cox are disclosed in Note 18.

Short Term Incentive Plan

No short term incentive scheme had been approved by the Board or shareholders.

Long Term Incentive Plan

No long term incentive scheme had been approved by the Board or shareholders.

Non-Executive Director – Thomas Price

There is no employment or service agreement agreed to by the Board for Mr Price. Mr Price's director stipend as a director is \$43,800 inclusive of superannuation per annum.

The actual remuneration paid to Mr Price for the year ended 30 June 2016 is provided in Note 20. Related Party transactions with Mr Price are disclosed in Note 18.

Short Term Incentive Plan

No short term incentive scheme had been approved by the Board or shareholders.

Long Term Incentive Plan

No long term incentive scheme had been approved by the Board or shareholders.

REMUNERATION REPORT (AUDITED) (CONT'D)**Managing Director – Ann Bowering**

As an executive director of NSX Limited Ann is paid a director stipend of \$43,800 inclusive of superannuation per annum.

Until 10 June 2016, Ann Bowering was an employee of Financial and Energy Exchange Ltd (FEX). In return for the services provided by Ann Bowering acting as Chief Executive of SIM Venture Securities Exchange Ltd NSX reimburses FEX. The fees reimbursed to FEX for Ms Bowering services are disclosed in the related parties Note 18. From 10 June 2016 Ann Bowering vacated the office of Chief Executive of SIM Venture Securities Exchange and was appointed Managing Director of NSX Limited.

Actual remuneration paid by NSX to Ms Bowering for services as a director and Managing Director for the year ended 30 June 2016 is provided in Note 20.

Annual Base Salary

\$260,000 per annum exclusive of super contribution.

Expense reimbursement

The Managing Director is entitled to reasonable expense reimbursement.

Short Term Incentive Plan

No short term incentive scheme had been approved by the Board or shareholders.

Long Term Incentive Plan

No long term incentive scheme had been approved by the Board or shareholders.

Termination Provisions

The Employment Agreement may be terminated in the circumstances described below.

Resignation – Ms Bowering may tender her resignation.

Termination on Notice by NSX – The NSX may terminate upon prior notice.

Termination without notice – The NSX may terminate without notice for defined causes (i.e. misconduct, grossly negligent or otherwise incompetent, serious breach of the agreement, becomes bankrupt or commits a crime or other civil wrong doing).

Post- Employment Restraints

If Ms Bowering intends to work for a competitor or a member of the NSX Group on resigning her position then Ms Bowering must give notice to NSX so that all reasonable steps can be taken by NSX to protect its business.

Other than the above Ms Bowering is subject to customary post-employment restraints.

Options / Share Scheme

Ms Bowering will be entitled to any option or share scheme arrangements that may be approved by shareholders.

Discretionary Benefits

NSX may, at NSX's discretion provide Ms Bowering with benefits such as bonus or other incentive payments.

Payments on termination

Provided the Ms Bowering satisfies the conditions of the Good Leaver provisions and subject to applicable laws and ASX Listing Rules and shareholder approval, Ms Bowering will be eligible to receive up to 1,500,000 fully paid ordinary shares in NSX Limited. Such shares to be issued within 28 days of becoming eligible.

The NSX will pay Ms Bowering a termination payment equal to the amount of base salary which Ms Bowering would have received from the date of termination until the End Date of the agreement.

Permitted Activities

Ms Bowering will be allowed to retain, at her sole discretion, the position of Non-executive director of Financial and Energy Exchange Ltd and may hold the position of Chairperson of the Audit Committee of Financial and Energy Exchange Ltd and associated companies provided that such positions do not conflict with her duties as managing Director of NSX. Ms Bowering may receive reasonable compensation for holding such positions and must disclose such compensation to NSX on an annual basis.

Section 300A Corporations Act 2001 Disclosures on Remuneration

COMPLIANCE WITH SECTION 300A CORPORATIONS ACT 2001 (CTH) – ANNUAL DIRECTORS REPORT

Section	Obligation	Discussion
300A(1)(a)(i)	A discussion of Board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of directors, secretaries and senior managers of the company;	<p>The annual report outlines Board policy with respect to the nature and amount of director, secretaries and senior manager remuneration.</p> <p>Under the Board Charter, the NSX Board retains ultimate responsibility for the remuneration of directors, executives, senior management, and employees. It is the policy of the Board that remuneration be intended to create and enhance shareholder wealth. This involves ensuring that individual remuneration is set by reference to a calculus of factors including: market remuneration levels, the nature of the role and duties performed, the skill set of the individual and the significance of their role within the NSX corporate group. Currently, the policy is that remuneration is reviewed by the Board on a periodic basis to ensure continued support of the commercial and regulatory interests of the exchange and its shareholders.</p>
300A(1)(a)(ii)	If consolidated financial statements are required – Board policy in relation to the nature and amount (or value, as appropriate) of remuneration of other group executives for the consolidated entity;	The Board policy with respect to NSX entity directors, secretaries and senior managers also applies to subsidiary entities.
300A(1)(b)	A discussion of the relationship between such policy and the company's performance;	This policy ensures that Directors and management are paid without prejudice to the interests of a particular business of the company. This is because Directors and senior management are expected to be able to contribute to each cash generating unit in a positive manner thereby enhancing the performance of each of the cash generating units.
300A(1)(ba)	If an element of the remuneration of a member of the key management personnel for the company, or if consolidated financial statements are required, for the consolidated entity is dependent on the satisfaction of a performance condition:	Not Applicable

COMPLIANCE WITH SECTION 300A CORPORATIONS ACT 2001 (CTH) – ANNUAL DIRECTORS REPORT (CONT'D)

Section	Obligation	Discussion
300A(1)(ba) (cont'd)	<ul style="list-style-type: none"> (i) a detailed summary of the performance condition; and (ii) an explanation of why the performance condition was chosen; and (iii) a summary of the methods used in assessing whether the performance condition is satisfied and an explanation of why those methods were chosen; and (iv) if the performance condition involves a comparison with factors external to the company: <ul style="list-style-type: none"> (A) a summary of the factors to be used in making the comparison; and (B) if any of the factors relates to the performance of another company, of 2 or more other companies or of an index in which the securities of a company or companies are included – the identity of that company, of each of those companies or of the index; and 	<p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p>
300A(1)(c)	<p>The prescribed details in relation to the remuneration of:</p> <ul style="list-style-type: none"> (i) each director of the company; and (ii) each of the 5 named company executives who received the highest remuneration for that year; and <p>if consolidated financial statements are required – each of the 5 named relevant group executives who received the highest remuneration for that year;</p>	<p>The annual report contains details of the remuneration of each director and each of the top 5 highest grossing key management executives and directors for this reporting period. Refer Note 20 for more detailed information.</p>
300A(1)(d)	<p>If an element of the remuneration of a persons referred to in paragraph (c) consists of securities of a body and that element is not dependent on the satisfaction of a performance condition – an explanation of why that element of the remuneration is not dependent on the satisfaction of a performance condition;</p>	<p>Securities were not a component for remunerating directors during this reporting period. The NSX does not currently operate an executive share scheme.</p>
300A(1)(e)	<p>For each person referred to in paragraph (c).</p>	<p>Refer to Note 20.</p>

COMPLIANCE WITH SECTION 300A CORPORATIONS ACT 2001 (CTH) – ANNUAL DIRECTORS REPORT (CONT'D)

Section	Obligation	Discussion
300A(1)(f)	such other matters related to the policy or policies referred to in paragraph (a) as are prescribed by the regulations; and	Not Applicable
300A(1)(g)	<p>if:</p> <ul style="list-style-type: none"> (i) at the company's most recent AGM, comments were made on the remuneration report that was considered at that AGM; and (ii) when a resolution that the remuneration report for the last financial year be adopted was put to the vote at the company's most recent AGM, at least 25% of the votes cast were against adoption of that report; (iii) an explanation of the board's proposed action in response or, if the board does not propose any action, the board's reasons for inaction; and 	<p>There were no comments made, at the last AGM, concerning the remuneration report.</p> <p>At the last AGM votes cast were less than 25% against the remuneration report.</p> <p>The Board has engaged with its major shareholder concerning the remuneration report and believes it currently has in place a suitable remuneration policy. The Board reviews its policy whenever necessary.</p>
300A(1)(h)	<p>if a remuneration consultant made a remuneration recommendation in relation to any of the key management personnel for the company or, if consolidated financial statements are required, for the consolidated entity, for the financial year:</p> <ul style="list-style-type: none"> (i) the name of the consultant; and (ii) a statement that the consultant made such a recommendation; and (iii) if the consultant provided any other kind of advice to the company or entity for the financial year – a statement that the consultant provided that other kind or those other kinds of advice; and 	Not Applicable

COMPLIANCE WITH SECTION 300A CORPORATIONS ACT 2001 (CTH) – ANNUAL DIRECTORS REPORT (CONT'D)

Section	Obligation	Discussion
300A(1)(h) (cont'd)	<ul style="list-style-type: none"> (iv) the amount and nature of the consideration payable for the remuneration recommendation; and (v) the amount and nature of the consideration payable for any other kind of advice referred to in subparagraph (iii); and (vi) information about the arrangements the company made to ensure that the making of the remuneration recommendation would be free from undue influence by the member or members of the key management personnel to whom the recommendation relates; and (vii) a statement about whether the board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates; and (viii) if the board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates – the board's reasons for being satisfied of this. 	<p>Not Applicable</p> <p>Not Applicable</p>
300A(1AA)	<p>Without limiting paragraph (1)(b), the discussion under that paragraph of the company's performance must specifically deal with:</p> <ul style="list-style-type: none"> (a) the company's earnings; and (b) the consequences of the company's performance on shareholder wealth; in the financial year to which the report relates and in the previous 4 financial years. 	<p>The Directors' Report and accompanying financial and remuneration reports provide details of these issues.</p>

COMPLIANCE WITH SECTION 300A CORPORATIONS ACT 2001 (CTH) – ANNUAL DIRECTORS REPORT (CONT'D)

Section	Obligation	Discussion
300A(1AB)	<p>In determining, for the purposes of subsection (1AA), the consequences of the company's performance on shareholder wealth in a financial year, have regard to:</p> <ul style="list-style-type: none"> (a) dividends paid by the company to its shareholders during that year; and (b) changes in the price at which shares in the company are traded between the beginning and the end of that year; and (c) any return of capital by the company to its shareholders during that year that involves: <ul style="list-style-type: none"> (i) the cancellation of shares in the company; and (ii) a payment to the holders of those shares that exceeds the price at which shares in that class are being traded at the time when the shares are cancelled; and (d) any other relevant matter. 	<ul style="list-style-type: none"> (a) No dividends have been paid by the company to date. (b) The company has been a listed entity since 13 January 2005 over which time the share price of the company has fluctuated between a high of \$1.10 and a low of \$0.074. As at 30 June 2016 the share price was \$0.22. As at 5 September 2016 the share price was \$0.22. There have been no bonus payments made nor are there any employee incentive schemes based on share price movements as there is no employee share incentive scheme in operation. (c)(i) Not applicable (c)(ii) Not applicable (d) Not applicable
300A(1A)	<p>The material referred to in subsection (1) must be included in the directors' report under the heading "Remuneration report".</p>	<p>A remuneration report segment is included in the Directors Report. Refer to discussion above and also to Note 20.</p>

1178.00	4.7%	1.96%	2118.00	-7.7%	0.95%	778.21	0.24%	1.37%	1911.21	0.2%	0.86%	1888.28	11.2%	0.8%	888.33	0.0%	0.0%
0.20%	1117.31	-1.04	1.87%	1017.31	-1.55	0.92%	1813.25	1.07	1.88%	0.24%	1182.25	0.44	0.94%	1821.28	18.8%	0.0%	0.0%
1.97%	1.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

FINANCIAL POSITION

The net assets of the Economic Entity have increased from \$2,045,167 as at 30 June 2015 to \$6,900,863 as at 30 June 2016. The change is primarily due to a successful placement of 16,500,000 shares which raised \$5.7 million.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the Economic Entity's state of affairs occurred during the financial year.

POST BALANCE DATE EVENTS

On 28 July 2016 the NSX Board resolved to give notice to FEX to cancel the Funding Guarantee Deed.

There are no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Economic Entity, the results of those operations or the state of affairs of the Economic Entity in future financial years.

FUTURE DEVELOPMENTS

Likely developments in the operations of the Economic Entity and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Economic Entity.

ENVIRONMENTAL ISSUES AND CARBON TAX

The Economic Entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or State. The directors are not aware of any significant material environmental issues arising from the operations of the economic entity during the year.

NON-AUDIT SERVICES

The Board of Directors is satisfied that the provision of non audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the board of directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and CPA Australia's APES 110: Code of Ethics for Professional Accountants.

The following fees for non audit services were paid/payable to the external auditors during the year ended 30 June 2016:

	2016 \$	2015 \$
Tax Advice - FBT	1,300	-
Tax Services - Income Tax	7,500	-
Other Services	3,500	-
Total	12,300	-

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out at page 47.

INDEMNIFYING OFFICERS OR AUDITORS

The Economic Entity has paid a premium to indemnify the directors and officers of the economic entity against liability incurred in their capacity as directors and officers.

OPTIONS

At the date of this report, the unissued ordinary shares of NSX Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
15-Oct-2006	15-Oct-2016	0.50	413,971
15-Oct-2007	15-Oct-2017	0.50	323,412
			737,383

During the year ended 30 June 2016, no ordinary shares of NSX Limited were issued on the exercise of options and no options lapsed.

1176.84	9.7%	1.86%	314.03	-7.72	0.00%	778.21	0.00%	1.17%	1011.21	1.22%	1.00%	1000.00	11.20	1.00%	1000.00	100%
0.20%	1117.31	-1.24	1.87%	1017.81	-1.55	0.00%	1013.20	0.00%	1.00%	0.24%	1180.20	0.44	0.04%	1011.20	10.00	1.00%

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court in accordance with section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or 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 any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors:

Michael Cox
Director

Ann Bowering
Director

Dated 22 September 2016

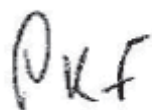
Sydney

NSX Limited
ABN 33 089 447 058

**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of
NSX Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



PKF
Chartered Accountants

Newcastle

Dated: 26 September 2016



CLAYTON HICKEY
Partner

Statement of Profit or Loss and Other Comprehensive Income

		CONSOLIDATED	
		2016	2015
		\$	\$
	NOTE		
Revenue	2	1,945,784	1,672,913
Employee benefits expense		(1,231,735)	(1,209,422)
Depreciation, amortisation and impairments	3	(15,653)	(9,003)
Consultancy fees		(203,132)	(233,273)
Compliance expenses		(54,470)	(62,498)
Legal expenses		(18,858)	(27,312)
Market trading expenses		(883,305)	(864,957)
Marketing and promotion		(15,492)	(46,702)
Occupancy expenses		(120,453)	(143,769)
Administration expenses		(371,466)	(400,170)
Other Expenses		(100,406)	(73,183)
Restructuring costs		(415,000)	-
Loss before income tax		(1,484,186)	(1,397,376)
Income tax expense	5	-	-
Loss after tax attributable to members from Continuing operations		(1,484,186)	(1,397,376)
Loss Attributable to:			
Non controlling equity interest	28	(364,141)	(278,541)
Members of the parent entity		(1,120,045)	(1,118,835)
		(1,484,186)	(1,397,376)
Total comprehensive income attributable to:			
Non controlling equity interest	28	(364,141)	(278,541)
Members of the parent entity		(1,120,045)	(1,118,835)
		(1,484,186)	(1,397,376)
Earnings per share			
<i>Basic earnings per share</i>			
Earnings from continuing operations (cents)	30	(1.1)	(1.33)
<i>Diluted earnings per share</i>			
Earnings from continuing operations (cents)	30	(1.1)	(1.33)

The accompanying notes form part of these financial statements.

Statement of Financial Position

		CONSOLIDATED	
		2016	2015
		\$	\$
	NOTE		
ASSETS			
Current assets			
Cash and cash equivalents	7	5,251,497	206,525
Trade and other receivables	8	157,479	145,494
Financial assets	9	2,215,000	2,228,000
Other current assets	10	63,312	108,833
Total current assets		7,687,288	2,688,852
Non-current assets			
Property, plant and equipment	11	65,958	9,892
Other financial assets	12	120,000	120,000
Total non-current assets		185,958	129,892
TOTAL ASSETS		7,873,246	2,818,744
LIABILITIES			
Current liabilities			
Trade and other payables	14 (a)	271,938	380,487
Borrowings	14 (b)	-	112,281
Short-term provisions	15	700,445	276,048
Total current liabilities		972,383	768,816
Non-current liabilities			
Other long-term provisions	15	-	4,761
Total non-current liabilities		-	4,761
TOTAL LIABILITIES		972,383	773,577
NET ASSETS		6,900,863	2,045,167
EQUITY			
Issued capital	16	44,251,385	38,914,870
Retained earnings		(39,134,350)	(38,014,304)
Non-controlling interest		1,783,828	1,144,601
TOTAL EQUITY		6,900,863	2,045,167
Net Tangible Assets per share:			
NTA (Cents per share)		4.91	1.95

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

		CONSOLIDATED			
	NOTE	Issued Capital \$	Non-Controlling Interests \$	Retained Earnings \$	Total \$
Balance at 1 July 2015		38,914,870	1,144,601	(38,014,304)	2,045,167
Loss for the year		-	-	(1,120,046)	(1,120,046)
Shares issued	16	5,733,945	1,003,368	-	6,737,313
Transaction costs on share issue		(397,430)	-	-	(397,430)
Loss attributable to non-controlling interest		-	(364,141)	-	(364,141)
Balance at 30 June 2016		44,251,385	1,783,828	(39,134,350)	6,900,863
Balance at 1 July 2014		36,018,761	1,423,142	(36,895,469)	546,434
Loss for the year		-	-	(1,118,835)	(1,118,835)
Share issued	16	2,896,109	-	-	2,896,109
Non-cash share based payments		-	-	-	-
Loss attributable to non-controlling interest		-	(278,541)	-	((278,541))
Balance at 30 June 2015		38,914,870	1,144,601	(38,014,304)	2,045,167

The accompanying notes form part of these financial statements.

Statement of Cash Flows

		CONSOLIDATED	
		2016	2015
		\$	\$
	NOTE		
Cash from operating activities:			
Receipts from customers		2,033,705	1,731,513
Payments to suppliers and employees		(3,254,832)	(2,941,668)
Interest received		97,054	85,707
Net cash provided by (used in) operating activities	19(a)	(1,124,073)	(1,124,448)
Cash flows from investing activities:			
Acquisition of property, plant and equipment		(75,930)	(3,533)
Payment of loan		(120,465)	-
Net cash provided by (used in) investing activities		(196,395)	(3,533)
Cash flows from financing activities:			
Proceeds from issue of shares		6,749,870	154,900
Costs of issue of shares		(397,430)	-
Proceeds from borrowings		-	1,076,357
Net cash provided by (used in) financing activities		6,352,440	1,231,257
Net increase (decreases) in cash held		5,031,972	103,276
Cash at beginning of financial year		2,434,525	2,331,249
Cash at end of financial year	19(c)	7,466,497	2,434,525

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of NSX Limited and controlled entities ('Economic Entity'). The separate financial statements of the parent entity, NSX Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

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*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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

(a) Principals of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (NSX Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non controlling interests". The Group initially recognises non controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

A list of controlled entities is contained in Note 13 to the financial statements. All controlled entities have a June financial year end.

NOTE 1 (CONT'D)

(b) Income Tax

Current Income Tax expense

The charge for current income tax expense is based on the profit for the year adjusted for any non assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the Statement of Financial Position date.

Deferred income tax assets

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Accounting for deferred tax

Deferred tax is accounted for using the Statement of Financial Position liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 calculation

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of financial position except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

The economic entity is a tax consolidated group. At the time of signing these accounts there are no formal tax sharing agreements in place.

Tax Consolidation

NSX Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity.

NOTE 1 (CONT'D)

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to note 1(f) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Economic Entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Depreciation

The depreciable amounts of all fixed assets are depreciated on a diminishing value basis over their useful lives to the Economic Entity commencing from the time the asset is held ready for use.

Depreciation rates

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	20 - 40%

NOTE 1 (CONT'D)**(d) Leases****Operating leases**

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

Lease incentives

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(e) Financial Instruments**Recognition and initial measurements**

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 company commits itself to either the purchase or sale of the asset (ie 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

Finance 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 for 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.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- less any reduction for impairment.

NOTE 1 (CONT'D)

(e) Financial Instruments (Cont'd)

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Economic Entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Financial assets at fair value

Financial assets are classified at “fair value through profit or loss” when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

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 stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Economic Entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the Economic Entity are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories or designated as such by management. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are recognised in other comprehensive income.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

NOTE 1 (CONT'D)

(e) Financial Instruments (Cont'd)

Fair value

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

Impairment

At each reporting date, the Economic Entity assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of Assets

At each reporting date, the Economic Entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Economic Entity estimates the recoverable amount of the cash generating unit to which the asset belongs.

NOTE 1 (CONT'D)

(g) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on Australian Corporate Bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Economic Entity to an employee superannuation fund and are charged as expenses when incurred.

(h) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) 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 three months or less such as term deposits, and bank overdrafts. Term deposits held on a short term basis in support of operating guarantees and letters of credit for the NSXA and SIMVSE Compensation Arrangements have been classified as a current financial asset. This is due to a requirement that these deposits be available for immediate payment to a claimant, should they be called upon, and the obligations of section 885B(1)(g) of the Corporations Act, which requires the Company to provide timely access to Compensation Arrangements. Bank overdrafts are shown within short term borrowings in current liabilities on the Statement of Financial Position.

(j) Revenue and other income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Listings revenue includes revenue from annual listing fees, initial listing fees and secondary capital raisings. Initial and secondary capital raising fees are recognised when the listing or subsequent event has taken place. Annual listing fees are recognised evenly over the year.

Revenue from the rendering of other services is recognised upon the delivery of the service to the customers.

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

NOTE 1 (CONT'D)**(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 Australian Taxation 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 cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(m) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Economic Entity.

(i) Key Estimates – Impairment

The Economic Entity assesses impairment at each reporting date by evaluating conditions and events specific to the Economic Entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. Refer to Note 12 for details of these assumptions.

(ii) Key Estimates – Equity Settled Compensation

In determining the amount of the share-based payments under the Group's equity-settled share-based payment employee share scheme, the Directors have determined that the probability of employees under the Employee Share Scheme meeting the vesting conditions is 100%. This estimate is based on discussions with the employees involved and analysis of historical employment records.

(iii) Long service leave provision

As discussed in Note 1(g), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(iv) Control of SIM VSE Group Holdings Limited (SIM)

During the year NSX Limited's interest in SIM VSE Group Holdings Limited reduced from 61.8% to 50% by way of a share dilution. The directors have concluded that the group still controls SIM, even though it holds half of the voting rights of this subsidiary due to:

- An agreement which exists between NSX Limited and SIM VSE Group Holdings Ltd whereby NSX Limited is required to provide financial support to SIM VSE Group Holdings Ltd until such time as SIM VSE Group Holdings Ltd returns to a profitable position; and
- NSX Limited has the financial capacity to provide financial support to SIM VSE Group Holdings Ltd.

NOTE 1 (CONT'D)**(n) New Accounting Standards, Interpretations and Amendments Adopted by the Group**

During the current year, the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

(o) New accounting standards for application in future periods

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

IFRS 16 Leases

Applicable for reporting periods beginning on or after 1 January 2019.

IFRS 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet.

The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.

Whilst the impact of IFRS 16 has not yet been quantified, it is not anticipated that this will result in a material impact on the financial statements of the Company. Interest and amortisation expense will increase and rental expense will decrease.

AASB 15 Revenue from contracts with customers

Applicable for Annual reporting periods beginning on or after 1 January 2017

AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services. AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The changes in revenue recognition requirements in AASB 15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures. The impact of AASB 15 has not yet been quantified.

AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)

Applicable for the financial year ended 30 June 2018

These standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

Once adopted, this standard will affect the Group's accounting for its available for sale financial assets resulting in fair value gains and losses associated with the instruments being recognised directly in profit or loss.

The new hedging rules align hedge accounting more closely with the Group's risk management practices. As a general rule it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation. There is no expected impacts to NSX's accounts.

NOTE 1 (CONT'D)**(p) Removal of Parent Entity Financial Statements**

The Group has applied amendments to the *Corporations Act 2001* that removes the requirement for the Group to lodge parent entity financial statements. Parent entity financial statements have been replaced by specific parent entity disclosures in Note 29.

(q) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(i) Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

NOTE 1 (CONT'D)

(q) Fair Value of Assets and Liabilities (Cont'd)

(ii) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

- Level 1: Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- i. if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- ii. if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

CONSOLIDATED

NOTE 2 REVENUE

OPERATING ACTIVITIES

Trading & listing fees (exchanges)
Interest received - other persons
Other revenue
Total Revenue

2016	2015
\$	\$
1,836,015	1,586,629
97,054	85,709
12,715	575
1,945,784	1,672,913

(a) Reconciliation of Revenue

Revenue from continuing operations
Total Revenue

1,945,784	1,672,913
1,945,784	1,672,913

NOTE 3 PROFIT FROM ORDINARY ACTIVITIES

(a) Depreciation expense

DEPRECIATION OF NON-CURRENT ASSETS

Plant and equipment
Discontinued plant and equipment

15,653	9,003
-	-
15,653	9,003

NOTE 4 AUDITORS' REMUNERATION

Auditing and reviewing the financial report
Tax services
Other Services

65,000	65,000
8,800	7,500
3,500	-
77,300	72,500

NOTE 5 INCOME TAX EXPENSE

(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

Prima facie tax payable on profit from ordinary activities before income tax at 30% (2015:30%)
Add:
Tax Effect Of:
Tax losses not recognised in the accounts
Income tax attributable to entity

(445,256)	(419,212)
445,256	419,212
-	-
12,404,693	11,959,437

Tax losses not brought to account, the benefits will only be realised if the conditions for deductibility set out in Note 1(b) occur

NOTE 6 DIVIDENDS

Balance of franking account at period end adjusted for franking credits arising from payment for provision of income tax

NOTE 7 CASH AND CASH EQUIVALENTS

Cash on hand
Cash at bank

NOTE 8 TRADE AND OTHER RECEIVABLES

CURRENT

Trade receivables
Deposits
Other receivables

NOTE 9 FINANCIAL ASSETS

CURRENT

Term deposits

NOTE 10 OTHER ASSETS

CURRENT

Prepayments

CONSOLIDATED	
2016 \$	2015 \$
86,495	86,495
200	200
5,251,297	206,325
5,251,497	206,525
30,324	36,622
26,926	8,643
100,229	100,229
157,479	145,494
2,215,000	2,228,000
2,215,000	2,228,000
63,312	108,833
63,312	108,833

NOTE 11 PROPERTY PLANT AND EQUIPMENT
PLANT AND EQUIPMENT

Plant and equipment - at cost
 Less accumulated depreciation
Total plant and equipment

CONSOLIDATED	
2016 \$	2015 \$
595,387	719,687
(529,429)	(709,795)
65,958	9,892

(a) Movements on carrying amounts

Balance at the beginning of year
 Additions
 Asset write off
 Depreciation and amortisation
 Carrying amount at end of year

Plant and Equipment \$	Total \$
9,892	15,362
75,930	3,533
(4,211)	-
(15,653)	(9,003)
65,958	9,892

NOTE 12 OTHER FINANCIAL ASSETS

Investment – Finance TV Pty Ltd (Shares)

120,000	120,000
120,000	120,000

Investment in Finance TV Pty Ltd (T/A Financial News Network)

The fair value of the Company's investment in Finance TV Pty Ltd has been considered at Note 31.

NOTE 13 CONTROLLED ENTITIES

Name	Country of Incorporation	Percentage Owned 2016	Percentage Owned 2015
Parent Entity			
NSX Limited	Australia		
Subsidiaries of NSX Limited:			
BSX Services Pty Limited	Australia	100%	100%
BSX Systems Pty Limited	Australia	100%	100%
National Stock Exchange of Australia Limited	Australia	100%	100%
NSX Services Pty Limited	Australia	100%	100%
TWEPL Pty Ltd	Australia	31%	31%
WGMPPL Pty Ltd	Australia	100%	100%
SIM VSE Group Holdings Ltd	Australia	50%	61.8%
Subsidiaries of National Stock Exchange of Australia Limited:			
NSX Clearing Nominees Pty Limited	Australia	100%	100%
Subsidiaries of WGMPPL Pty Ltd			
TWEPL Pty Ltd	Australia	69%	69%
Subsidiaries of SIM VSE Group Holdings Ltd			
SIM Venture Securities Exchange Ltd	Australia	100%	100%

Changes during 2015/2016

During the year FEX contributed \$533,747 in satisfaction of the final payment for shares in SIM VSE Group Holdings Ltd. This took FEX's ownership in the SIM VSE Group Holdings Ltd to 50.0% (refer to Note 13(a)). Subsequently FEX sold their holding in SIM VSE Group Holdings Ltd to Asian Exchange Infrastructure Pty Ltd (AEI).

During the year NSX Limited's interest in SIM VSE Group Holdings Limited reduced from 61.8% to 50% by way of a share dilution. The directors have concluded that the group still controls SIM, even though it holds only half of the voting rights of this subsidiary due to:

- (a) An agreement exists between NSX Limited and SIM VSE Group Holdings Ltd where NSX Limited is required to provide financial support to SIM VSE Group Holdings Ltd until such time as SIM VSE Group Holdings Ltd returns to a profitable position; and
- (b) NSX Limited has the financial capacity to provide financial support to SIM VSE Group Holdings Ltd.

Changes during 2014/2015

On 10 July 2015 FEX contributed \$176,253 in capital toward the SIM VSE Group Holdings Ltd. This takes FEX's ownership in the entity to 41.1%.

Note 13(a) Subsidiaries with material non-controlling interests

Set out below is the summarised financial information for each subsidiary that has a non-controlling interests (NCI) that are material to the Group, before any inter-group eliminations:

Name of Subsidiary	SIM VSE GROUP HOLDINGS LTD	
	30-June 2016	30-June 2015
Ownership held by NCI	50%	38%
Profit / loss allocated to NCI	(364,141)	(278,541)
Accumulated NCI of subsidiary	3,835,053	2,423,090
Summarised consolidated statement of financial position		
Current assets	436,699	12,273
Non-current assets	60,000	45,804
Current liabilities	864,623	565,516
Non-current liabilities	-	-
Net Assets	(367,925)	(507,440)
Summarised consolidated statement of profit or loss and other comprehensive income		
Profit / (loss)	(364,141)	(278,541)
Total comprehensive income	(364,141)	(278,541)
Summarised statement of cash flows		
Cash flows from / (used in) operating activities	(364,664)	(205,481)
Cash flows from / (used in) financing activities	776,629	205,736
Net increase / (decrease) in cash and cash equivalents	411,965	255

Contingent liabilities applicable to SIM VSE Group Holdings Ltd are described in Note 21.

WGMPL Pty Ltd and TWEPL Pty Ltd are fully owned subsidiaries of NSX and are currently dormant.

NOTE 14

(a) Trade and other payables

CURRENT

Unsecured liabilities

Trade payables

Sundry payables

Interest received in advance

(b) Borrowings

Loan FEX

CONSOLIDATED	
2016 \$	2015 \$
44,112	209,469
198,924	170,195
28,902	823
271,938	380,487
-	112,282
-	112,282

Notes:

- (i) The agreement can be terminated at any time by NSX giving one calendar month's notice and FEX giving six calendar month's notice. Repayment of the facility is at the discretion of NSX and can be made in the way of cash or shares subject to ASX listing rules, the *Corporations Act 2001* and Shareholder approval. The funding is utilised by NSX for its working capital purposes.
- (ii) The balance of \$112,282 arises for services rendered by FEX since the repayment of the prior year balance.
- (iii) During the period the full balance was repaid to FEX including interest.
- (iv) On 28 July 2016 the NSX Board resolved to give notice to FEX to cancel the Funding Guarantee Deed arrangements.

CONSOLIDATED

NOTE 15 PROVISIONS

(a) Movements in carrying amounts

Opening balance at 1 July 2014
 Additional provisions
 Amounts used
Balance at 30 June 2015

Opening balance at 1 July 2015
 Additional provisions
 Amounts used
Balance at 30 June 2016

Employee Entitlements \$	Total \$
267,130	267,130
91,340	91,340
(77,661)	(77,661)
280,809	280,809
280,809	280,809
68,958	68,958
(64,322)	(64,322)
285,445	285,445

(b) Analysis of total provisions

Current
 Non-current

2016 \$	2015 \$
285,445	276,048
-	4,761
285,445	280,809

(c) Restructure costs

Opening balance 1 July 2015
 Additional provisions
 Amounts used
Closing balance 30 June 2016

-	-
415,000	-
-	-
415,000	-

NOTE 16 ISSUED CAPITAL NSX LIMITED

147,905,288 (2015: 131,405,288) fully paid ordinary shares
 1,500,000 (2015: 1,500,000) ordinary shares paid to 1 cent

(a) Reconciliation of movements of fully paid ordinary shares

At beginning of period

Placement - 11 December 2015

11:20 Entitlement Offer - 25 May 2015

At Reporting Date

At beginning of period

Placement - 11 December 2015

11:20 Entitlement Offer - 25 May 2015

At Reporting Date

CONSOLIDATED	
2016	2015
\$	\$
44,236,385	38,899,870
15,000	15,000
44,251,385	38,914,870

38,899,870	36,003,761
5,336,515	-
-	2,896,109
44,236,385	38,899,870

No.	No.
131,405,288	102,444,197
16,500,000	-
-	28,961,091
147,905,288	131,405,288

The company completed a placement to a new shareholder SHKL Group Limited ("SHKL") in December 2015. SHKL is listed on the National Stock Exchange of Australia in August 2015.

Ordinary shares participate in dividends and the proceeds on winding up of the Economic Entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The partly paid shares are only callable at the option of the holder or on liquidation. They can be voted in proportion to the amount that is paid up.

(b) Capital Management

The Economic Entity's objective in managing capital is to continue to provide shareholders with attractive investment returns and ensure that the group can fund its operations and continue as a going concern.

The Economic Entity's capital consists of shareholders equity plus net debt. The movement in equity is shown in the Statement of Changes in Equity. At 30 June 2016 debt was \$Nil (2015: \$112,282) due to the repayment of the loan to FEX.

There are no externally imposed capital requirements. In order to maintain or adjust the capital structure, the Economic Entity may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

NOTE 17 CAPITAL AND LEASING COMMITMENTS

(a) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

	CONSOLIDATED	
	2016	2015
	\$	\$
Payable – minimum lease payments		
not later than 12 months	246,021	113,304
between 12 months and 5 years	494,367	226,608
	740,388	339,912

Office Leases

During the year offices were occupied by the Company in Newcastle, Melbourne and Sydney. As part of the restructure of Company operations, all operations will be consolidated in Sydney in the fourth quarter of 2016.

Newcastle

Leased offices have been occupied at Level 2, 117 Scott Street, Newcastle NSW 2300. The property lease for the Newcastle premises is a non-cancellable lease with rent payable monthly in advance. The lease commenced in August 2008 and continues until August 2017. This lease will not be renewed due to the restructuring of the company.

Melbourne

Offices have been occupied at Level 13, 575 Bourke Street, Melbourne VIC 3000 from March 2015. No lease has been signed for these premises. This lease will not be renewed due to the restructuring within the company.

Sydney

From October 2014 serviced offices have been occupied at Level 19, 1 O’Connell Street which are leased through Compass Services Offices and provides office accommodation for the NSX staff. A serviced office agreement has been signed for these premises with the operator. NSX has given notice under the agreement and the offices will be vacated on 31 October 2016. It is expected that NSX will move to new offices in Sydney at Level 3, 1 Bligh Street after that date.

Technology Leases

NSX Limited has an agreement with NASDAQ to provide technology related services to enable the Economic Entity to operate a market for trading securities. The lease commenced on 31 July 2016 for a period of 10 years, with rental paid quarterly in advance. The amount of the lease agreement is subject to confidentiality clauses and cannot be disclosed. NSX is in the process of renegotiating the lease with the supplier.

New leases

Other than that stated above, no other new leases have been entered into during the period.

NOTE 18 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

		CONSOLIDATED	
		30 JUNE 2016 \$	30 JUNE 2015 \$
(a) Director Related Entities			
PERSON	DESCRIPTION OF RELATED PARTY TRANSACTION		
Mr Michael Cox	as a director of Solidus Financial Services	-	-
Mr Thomas Price & Ms Ann Bowering	as Directors and Executives of Financial and Energy Exchange Limited - Payments made to FEX by the NSX Group as part of the SIM VSE Joint Venture.	197,739	176,253
	Amounts repaid to FEX for services rendered such as rental for the market site for functions, capital raising services or other services including interest.	(120,465)	112,000

Note: negative numbers are inflows to NSX and positive numbers are outflows.

All figures are inclusive of GST

(b) Beneficial Holdings

The direct, indirect and beneficial holdings of directors and their director related entities in the share and share options of the Economic Entity as at 30 June 2016 were:

Ordinary Shares:	4,043	(2015: 59,867,610) fully paid ordinary shares
Partly Paid Shares:	700,000	(2016: 700,000) partly paid shares to 1 cent
Share Options	Nil	(2015: Nil)

During the period FEX sold its shareholding to three new shareholders. This means that Tom Price and Ann Bowering no longer have an indirect beneficial holding in the Company.

NOTE 19 CASH FLOW INFORMATION

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	CONSOLIDATED	
	2016 \$	2015 \$
Net income/(loss) for the period	(1,484,186)	(1,397,376)
<i>Cash flows excluded from profit attributable to operating activities</i>		
<i>Non-cash flows in profit</i>		
Depreciation and amortisation	15,653	9,003
Asset write off	4,211	-
<i>Changes in assets and liabilities, net of effects of purchase of subsidiaries exclusive of disposed entities</i>		
(Increase)/decrease in trade and other receivables	(11,985)	(14,410)
(Increase)/decrease in financial assets	45,522	-
(Increase)/decrease in other assets	-	5,127
Increase/(decrease) in trade and other payables	(112,924)	259,529
Increase/(decrease) in provisions	419,636	13,679
Cashflow from Operations	(1,124,073)	(1,124,448)

(b) Credit Standby Arrangement and Loan Facilities

The company has commercial credit card facilities with a limit of \$20,000 in any one calendar month. At 30 June 2016, \$3,440 of this facility was used (2015: \$1,663). Interest rates are variable.

NOTE 19 (CONT'D)

(c) Reconciliation of cash

Cash at end of the financial year as shown in the cash flow statement is reconciled to items in the Statement of Financial Position as follows:

Cash and cash equivalents
 Term deposits - held to maturity (amortised cost)

CONSOLIDATED	
2016 \$	2015 \$
5,251,497	206,525
2,215,000	2,228,000
7,466,497	2,434,525

The reduction in the term deposit amount was due to discontinuance of a deposit (\$13,000) associated with a credit card facility at a bank.

(d) Non-cash Financing and Investing Activities

No subsidiaries were acquired during the year by issuance of equity.

NOTE 20 DIRECTOR & KEY MANAGEMENT PERSONNEL

(a) Director and Key Management Personnel

Names and positions held of directors & key management personnel in office at any time during the financial year are:

Director and Key Management	Position
Michael Cox	Director and Chairman, appointed 23 November 2009
Thomas Price	Non-executive-Director, appointed 17 November 2009
Ann Bowering	Director, appointed 25 May 2009. Managing Director appointed 10 June 2016.
Emlyn Scott	Chief Executive Officer, appointed 3 October 2011. Resigned 18 March 2016
Scott Evans	General Manager and Company Secretary, appointed 24 September 2001
Ian Craig	Companies Manager, appointed 7 July 2003

(b) Director and Key Management Personnel Compensation

Remuneration for 2016		Short term benefits			Post employment benefits		Equity settled share-based Payments		Total
	NOTES	Cash & Salary \$'000	Commissions & Deferred Income \$'000	Non cash Benefits \$'000	Super-annuation \$'000	Other \$'000	Shares/ Units \$'000	Options/ Rights \$'000	\$'000
Michael Cox	1	83	-	-	8	-	-	-	91
Ann Bowering	2	56	-	-	4	-	-	-	60
Thomas Price	1	42	-	-	4	-	-	-	46
Emlyn Scott	3	169	-	-	14	-	-	-	183
Scott Evans	4	227	-	-	20	-	-	-	247
Ian Craig	4	235	-	-	20	-	-	-	255
		812	-	-	70	-	-	-	882

Notes to 2016 Remuneration Report:

- (1) Amounts for Michael Cox, Ann Bowering and Thomas Price are for director fees paid during the year.
- (2) Amounts paid to Ann Bowering as a Director and Managing Director.
- (3) Amounts paid to Emlyn Scott as per employment agreement for services as NSX Chief Executive Officer.
- (4) Increase in Ian Craig and Scott Evans salaries were due to 27 pay periods during the year instead of the usual 26.

NOTE 20 (CONT'D)

(b) Director & Key Management Personnel Compensation (Cont'd)

Remuneration for 2015		Short term benefits			Post employment benefits		Equity settled share-based Payments		Total
		Cash & Salary \$'000	Commissions & Deferred Income \$'000	Non-cash Benefits \$'000	Super-annuation \$'000	Other \$'000	Shares/ Units \$'000	Options/ Rights \$'000	
NOTES									\$'000
Michael Cox	1	80	-	-	8	-	-	-	88
Ann Bowering	1	40	-	-	4	-	-	-	44
Thomas Price	1	40	-	-	4	-	-	-	44
Emlyn Scott	2	199	-	-	19	-	-	-	218
Scott Evans		219	-	-	20	-	-	-	239
Ian Craig		216	-	-	30	-	-	-	246
		794	-	-	85	-	-	-	879

Notes to 2015 Remuneration Report:

- (1) Amounts for Michael Cox, Ann Bowering and Thomas Price are for director fees paid during the year.
- (2) Amounts paid to Emlyn Scott as per employment agreement for services as NSX Chief Executive Officer.

(c) Compensation Options

No options were issued during the year.

(d) Shares Issued on Exercise of Remuneration Options

There were no shares issued on the exercise of remuneration options during the financial year please refer to Note 20(e).

NOTE 20 (CONT'D)
(e) Options and Rights Holdings

Number of Options Held by Director & Key Management Personnel.

	Balance 1/07/2015 No.	Granted as Remuneration No.	Options Exercised No.	Net Change Other No.	Balance 30/06/2016 No.	Total Exercisable No.
2016						
Michael Cox	-	-	-	-	-	-
Thomas Price	-	-	-	-	-	-
Ann Bowering	-	-	-	-	-	-
Scott Evans	161,706	-	-	-	161,706	-
Ian Craig	161,706	-	-	-	161,706	-
	323,412	-	-	-	323,412	-

Note: Options for Ian Craig and Scott Evans still outstanding have an exercise price of 50 cents and expiry date of 15 October 2017. The options can be exercised at any time at the discretion of the holder.

(f) Shareholdings

Number of Ordinary Fully Paid Shares held by Director & Key Management Personnel.

	NOTES	Balance 1/07/2015 No.	Received as Remuneration No.	Options Exercised No.	Net Change Other No.	Balance 30/06/2016 No.
2016						
Thomas Price & Ann Bowering	1	59,867,610	-	-	(59,867,610)	-
Michael Cox		4,043	-	-	-	4,043
Scott Evans		28,000	-	-	-	28,000
Ian Craig		-	-	-	-	-
		59,899,653	-	-	(59,867,610)	32,043

Notes:

(1) As directors of Financial and Energy Exchange Limited with respect to shares sold by FEX Equity Markets Pty Ltd to other shareholders in January 2016.

NOTE 20 (CONT'D)

(f) Shareholdings (Cont'd)

Number of Ordinary Fully Paid Shares held by Director & Key Management Personnel.

2015	NOTES	Balance 1/07/2014 No.	Received as Remuneration No.	Options Exercised No.	Net Change Other No.	Balance 30/06/2015 No.
Thomas Price & Ann Bowering	1	53,325,305	-	-	6,542,305	59,867,610
Michael Cox	2	2,609	-	-	1,434	4,043
Emlyn Scott		10,000	-	-	-	10,000
Scott Evans	2	25,000	-	-	3,000	28,000
Ian Craig		-	-	-	-	-
		53,362,914	-	-	6,546,739	59,909,653

Notes:

- (1) As directors of Financial and Energy Exchange Limited with respect to shares obtained by FEX Equity Markets Pty Ltd on market and as part of the 11:20 Entitlement Offer completed 25 May 2015.
- (2) Acquired as part of the 11:20 Entitlement Offer completed 25 May 2015.

(g) Remuneration Practices

The Board's policy for determining the nature and amount of compensation of key directors and key management for the Economic Entity is as follows:

The Directors' are allowed to claim reimbursement for expenses incurred when acting on behalf of the NSX. Directors' are allowed to claim remuneration approved by the Board of Directors as a member of the NSX Audit & Risk Committee, Remuneration & Nomination Committee, Compliance Committee or Listing & Admissions Committee. Approved by shareholders at the AGM of 20 December 2004, the remuneration pool for non-executive directors is \$200,000 per annum inclusive of Superannuation. Director's fees are comprised of a fixed component only and exclude any performance components.

Disclosures for director fees paid during the financial year are provided in Note 20(b).

Director Remuneration

Approved by shareholders at the AGM of 20 December 2004, the remuneration pool for non-executive directors is \$200,000 per annum inclusive of any superannuation guarantee remittances. Non-executive Chairman and Director fees are comprised of a fixed component being \$87,600 and \$43,800 respectively inclusive of superannuation. Executive director fees for service are by mutual agreement with the Board.

Disclosures for director fees and allowances actually paid during the financial year are provided in Note 20(b).

Short Term Incentive Plan

No short term incentive scheme had been approved by the Board or shareholders.

Long Term Incentive Plan

No long term incentive scheme had been approved by the Board or shareholders.

NOTE 21 CONTINGENT LIABILITIES

Estimates of the maximum amounts of contingent liabilities that may become payable:

- Compensation Arrangements
- ASX Settlement Performance Bond

CONSOLIDATED	
2016 \$	2015 \$
1,800,000	1,800,000
500,000	500,000
2,300,000	2,300,000

Compensation Arrangements

Part 7.5 of the *Corporations Act 2001* requires licensed markets through which participants provide services for retail clients to have compensation arrangements. The compensation arrangements are limited to the coverage of losses arising from defalcation of client assets held by participants registered with the Exchanges as the holders of Australian Market Licences (AML) as detailed in the *Corporations Act 2001*.

National Stock Exchange of Australia Limited Compensation Arrangements

The minimum cover that NSX is required to have as part of the compensation arrangements is \$800,000. The arrangements to meet the minimum cover are in two parts: (a) the NSX Fidelity Fund as detailed in this report (Note 24), and (b) a Letter of Credit for the amount of \$700,000. The combined sources have over \$1.2 million in funds which exceeds the minimum cover by over \$400,000.

During the period there were no claims on the compensation arrangements.

SIM Venture Securities Exchange Limited Compensation Arrangements

The minimum cover that SIM is required to have as part of the compensation arrangements is \$1,000,000. The arrangements to meet the minimum cover are in two parts: (a) the SIM Fidelity Fund as detailed in this report (Note 24), and (b) a Letter of Credit for the amount of \$1,000,000. The combined sources have over \$1.1 million in funds which exceeds the minimum cover by over \$50,000.

During the period there were no claims on the compensation arrangements.

ASX Settlement Performance Bond

National Stock Exchange of Australia acts as a settlement agent on behalf of several NSX and SIMVSE broker participants. Consequently NSX is registered with ASX Settlement as a General Participant for the purpose of ASX Settlement Operating Rules to effect CHES settlements. ASX Settlement Operating Rule 4.9.1 requires General Participants to post a Settlement Performance Bond to the value of \$500,000. ASX Settlement can make a demand under Operating Rule 4.9.5 if ASX Settlement is satisfied that a Participant has contravened a provision of the rules and as a result of that contravention, ASX settlement has suffered or incurred any losses, damages, costs or expenses.

NSX has established a bank guarantee backed by a term deposit of \$500,000 to satisfy the requirements of the Settlement Performance Bond. During the period these were no claims arising from ASX Settlement Operating Rule 4.9.5.

NOTE 22 FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Economic Entity's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, and loans to and from subsidiaries.

The main purpose for non-derivative financial instruments is to raise finance for group operations.

The Economic Entity does not have any derivative financial instruments at the end of the financial year.

(b) Interest Rate Risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Maturing within 1 Year		Non-interest Bearing		Total	
	2016 %	2015 %	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
Financial Assets										
Cash & cash equivalents	1.50	1.69	5,251,297	206,325	-	-	200	200	5,251,497	206,525
Term Deposits	2.10	2.25	-	-	2,215,000	2,228,000	-	-	2,215,000	2,228,000
Receivables	-	-	-	-	-	-	-	-	-	-
Total Financial Assets	-	-	5,251,297	206,325	2,215,000	2,228,000	200	200	7,466,497	2,434,525
Financial Liabilities										
Payables	-	-	271,938	380,487	-	-	-	-	271,938	380,487
Borrowings	-	-	-	112,281	-	-	-	-	-	112,281
Total Financial Liabilities	-	-	271,938	492,768	-	-	-	-	271,938	492,768

(c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

The economic entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

NOTE 22 (CONT'D)
(d) Net Fair Value

The net fair value of financial assets and financial liabilities approximates their carrying values as disclosed in the Statement of Financial Position and notes to the financial statements.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

(e) Sensitivity analysis

The Economic Entity has performed a sensitivity analysis relating to its exposure to interest rate risk. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk. As the Economic Entity does not trade in commodities, is not involved in foreign exchange transactions and has minimal trade receivables. It has determined it is not exposed to any other market rate fluctuations.

(f) Liquidity risk

Liquidity risk is the risk that the economic entity is unable to meet its financial obligations as they fall due.

The economic entity has a zero level of gearing and manages liquidity risk by closely monitoring forecast and actual cash flows and matching the maturity profiles of financial assets.

(g) Interest rate sensitivity analysis

		Interest Rate Risk			
		– 0.25%		0.5%	
	Carrying Amount	Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$
2016 Assets					
Cash	5,251,497	(13,129)	(13,129)	26,257	26,257
Term Deposits	2,215,000	(5,538)	(5,538)	11,075	11,075
Liabilities					
Borrowings	-	-	-	-	-
Increase / Decrease	7,466,497	(18,666)	(18,666)	37,332	37,332
2015 Assets					
Cash	-	-	-	-	-
Term Deposits	2,200,000	(5,500)	(5,500)	11,000	11,000
Liabilities					
Borrowings	-	-	-	-	-
Increase / Decrease	2,200,000	(5,500)	(5,500)	11,000	11,000

NOTE 23 SEGMENT REPORTING

Primary reporting - Business segments

Major Customers

The Group has a number of customers to which it provides both products and services. During the period the NSX Group had no major customers that contributed more than 5.0% (2015: no major customers that contributed more than 5.0%) of total revenue.

(a) Segment Performance

12 Months Ended 30 June 2016

Revenue

External sales - services

1,836.1 - 1,836.1

Interest revenue

16.9 80.1 97.0

Other

- 12.7 12.7

Total segment revenue

1,853.0 92.8 1,945.8

Total group revenue

1,945.8

Results

Segment net profit before tax

294.6 (1,778.8) (1,484.2)

Other Items

Depreciation and amortisation

15.6 - 15.6

12 Months Ended 30 June 2015

Revenue

External sales - services

1,587 - 1,587

Interest revenue

25 61 86

Other

- - -

Total segment revenue

1,612 61 1,673

Total group revenue

1,673

Results

Segment net profit before tax

109 (1,506) (1,397)

Other Items

Depreciation and amortisation

9 - 9

NOTE 23 (CONT'D)

(b) Segment Assets

	Stock Exchanges \$'000	Unallocated Items \$'000	Total \$'000
As at 30 June 2016			
Segment Assets	1,933.6	5,939.6	7,873.2
Segment asset increases for the period			
- Acquisitions	76	-	76
As at 30 June 2015			
Segment Assets	924	1,894	2,818
Segment asset increases for the period			
- Acquisitions	-	-	-

(c) Segment Liabilities

	Stock Exchanges \$'000	Unallocated Items \$'000	Total \$'000
As at 30 June 2016			
Segment Liabilities	152.9	819.5	972.4
As at 30 June 2015			
Segment Liabilities	532.0	242.0	774.0

NOTE 24 FINANCIAL MARKET FIDELITY FUNDS

As at 30 June 2016 the National Stock Exchange of Australia Limited Fidelity Fund had a balance of \$548,119 (2015: \$533,475). The National Stock Exchange of Australia Limited is the manager of the fidelity fund and the assets of the fidelity fund can only be used for the purposes prescribed in the *Corporations Act 2001*. The Board of National Stock Exchange of Australia Limited has waived the contribution fees for Participants.

As at 30 June 2016 the SIM Venture Securities Exchange Limited Fidelity Fund had a balance of \$51,620 (2015: \$50,856). The SIM Venture Securities Exchange Limited is the manager of the fidelity fund and the assets of the fund can only be used for the purposes prescribed in the *Corporations Act 2001*. The Board of SIM Venture Securities Exchange Limited has waived the contribution fees for Participants.

NOTE 25 RELIANCE ON TECHNOLOGY AND SYSTEMS

The ability of the National Stock Exchange of Australia Limited to conduct its operations is heavily reliant upon the capacity and reliability of the trading systems which are licensed to the economic entity by NASDAQ Group and the ASX Settlement CHES settlement systems, which are licensed to the Economic Entity by the Australian Securities Exchange Limited.

The ability of the SIM Venture Securities Exchange Limited to conduct its operations is heavily reliant upon the capacity and reliability of the trading systems which are licensed to the economic entity by NASDAQ Group and the ASX Settlement CHES settlement systems, which are licensed to the Economic Entity by the Australian Securities Exchange Limited.

A significant and sustained failure of those systems would have a materially detrimental effect on the economic entity's short-term results, which in turn could undermine the longer term confidence in the Economic Entity.

NOTE 26 EVENTS AFTER THE END OF THE REPORTING PERIOD

On 28 July 2016 the NSX Board resolved to give notice to FEX to cancel the Funding Guarantee Deed.

There are no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Economic Entity, the results of those operations or the state of affairs of the Economic Entity in future financial years.

NOTE 27 COMPANY DETAILS

The registered office and principal place of business is:

NSX Limited
Level 2, 117 Scott Street
Newcastle NSW 2300

NOTE 28 ASSOCIATES AND JOINT VENTURES

There is currently an association between Asian Exchange Infrastructure Pty Limited (AEI) and NSX Limited for the venture with SIM VSE Group Holdings Limited for the operation of an Australian Market Licence; SIM Venture Securities Exchange Limited (SIM VSE). At 30 June 2016, NSX owns 50% of the venture and AEI owns 50%. The venture entity is consolidated in the accounts and is shown as non-controlling interest. The following table is provided as information on the financial performance of the venture.

	SIM VSE JV	
	30 June 2016	30 June 2015
Non-controlling Interest		
Share Capital \$	3,835,053	2,423,090
Current Year profit/(loss)	(364,141)	(278,541)

NOTE 29 PARENT ENTITY DISCLOSURES

	PARENT	
	2016 \$	2015 \$
Results of Parent		
Loss for the period	(1,008,562)	(1,624,743)
Total comprehensive loss for the period	(1,008,562)	(1,624,743)
Financial position at year end		
Current assets	6,919,595	2,545,317
Total assets	10,817,040	6,136,837
Current liabilities	166,915	606,487
Total liabilities	958,737	606,487
Total Equity of parent entity		
Share Capital	44,251,386	38,914,871
Retained losses	(34,393,083)	(33,384,521)
Total equity	9,858,303	5,530,350

The parent entity has no contingencies or any capital commitments for property, plant and equipment. The parent entity has in place agreements with subsidiary entities for the provision of services to maintain the operations of the Stock Exchange. The parent entity has not entered into a deed of cross guarantee.

NOTE 30 EARNINGS PER SHARE

		CONSOLIDATED	
		2016 \$	2015 \$
(a) Reconciliation of Earnings to Loss			
Loss for the period		(1,484,186)	(1,397,375)
Earnings used to calculate basic and diluted EPS		(1,484,186)	(1,397,375)
(b) Weighted average number of ordinary shares (diluted and basic)			
Weighted average number of ordinary shares used in calculating basic earnings per share and net tangible assets		140,582,000	104,857,621
Weighted average number of ordinary shares used in calculating dilutive EPS		140,582,000	104,857,621
(c) Basic and diluted earnings per share (cents)			
Earnings per share	NOTE		
<i>Basic earnings per share</i>			
Earnings from continuing operations (cents)		(1.1)	(1.3)
Total	32(a)(b)	(1.1)	(1.3)
<i>Diluted earnings per share</i>			
Earnings from continuing operations (cents)		(1.1)	(1.3)
Total	32(a)(b)	(1.1)	(1.3)

NOTE 31 FAIR VALUE MEASUREMENT

The Group measures the following assets and liabilities at fair value on a recurring basis:

- Investment in Finance TV Pty Ltd – fully paid ordinary shares

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Measurement based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Measurement based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Measurement based on unobservable inputs for the asset or liability.

The table below shows the assigned categorisation within the fair value hierarchy for each asset and liability held at fair value by the Group:

30 June 2016	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements				
Finance TV Pty Limited fully paid ordinary shares	-	-	120,000	120,000
30 June 2015				
Recurring fair value measurements				
Finance TV Pty Limited fully paid ordinary shares	-	-	120,000	120,000

Investment in Finance TV – Level 3

The Company has considered the fair value of its investment in Finance TV Pty Limited having regard for recent arms-length market activity with respect to the asset.

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards and the *Corporations Act and Regulations 2001* (section 296); and
 - (b) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the company and economic entity (*Corporations Act 2001* section 297); and
 - (c) the audited remuneration disclosures set out in the Remuneration Report section of the Directors' Report for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.
2. The Managing Director and General Manager have each declared according to section 295A(2) of the *Corporations Act 2001* that:
 - (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. The declaration under section 295A of the *Corporations Act 2001* is founded on a sound system of risk management and internal control and the system is operating effectively in material respects in relation to financial reporting of risks.
4. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Michael Cox

Director

Ann Bowering

Director

Dated 22 September 2016, Sydney

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NSX LIMITED

Report on the Financial Report

We have audited the accompanying financial report of NSX Limited and its controlled entities (the Economic Entity), which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year 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 year's end or from time to time during the financial year.

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, 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 (IFRS).

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, 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 NSX Limited, would be in the same terms if provided to the directors as at the time of this auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NSX LIMITED

Auditor's Opinion

In our opinion:

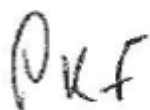
- a. the financial report of NSX Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Economic Entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report included in pages 37 to 43 of the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

In our opinion the remuneration report of NSX Limited for the year ended 30 June 2016 complies with s 300A of the *Corporations Act 2001*.



PKF
Chartered Accountants

Newcastle

Dated: 26 September 2016



CLAYTON HICKEY
Partner



NSX Limited and Controlled Entities

ABN 33 089 447 058

www.nsx.com.au

Additional Information for Listed Public Companies

The following additional information is required by the Australian Securities Exchange Ltd in respect of listed public companies.

1 SHAREHOLDING

(a) Distribution of Shareholders as at 16 September 2016

Category (size of holding)	Number	
	Ordinary	Partly Paid
1 – 1,000	31	-
1,001 – 5,000	91	-
5,001 – 10,000	45	-
10,001 – 100,000	68	-
100,001 – and over	29	3
	264	3

(b) Marketable Parcels as at 16 September 2016

The number of holders holding less than a marketable parcel (UMP) is 68 (at a market price of 22 cents). UMP number of securities is 85,040. UMP as a percentage of total shares on issue is 0.06%.

(c) Substantial Shareholders as at 16 September 2016

The names of the substantial shareholders listed in the holding company's register as at 16 September 2016 are:

	Number of fully paid ordinary shares held	Percentage of shares held to issued capital
1 SHKL GROUP LIMITED	24,285,000	16.4
2 SUNTECH INVESTMENTS INTERNATIONAL LIMITED	21,949,145	14.8
3 CROSS-STRAIT COMMON DEVELOPMENT FUND CO LIMITED	21,482,520	14.5
4 WELLPOINT INC	19,848,888	13.4
5 VITRON WERKBUND SUD AUSTRALASIA PTY LTD	14,173,348	9.6
6 AUSTRALIAN MINING GROUP LTD	7,432,500	5.0
	109,171,401	73.8

(d) Voting Rights

Ordinary shares – Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Partly Paid shares – Each partly paid share is entitled to one vote on a pro-rata basis dependent on the amount that is already paid when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands. The call on the partly paid shares is at the discretion of the holder.

(e) 20 Largest Shareholders — Ordinary Shares – as at 16 September 2016

	Number of fully paid ordinary shares held	Percentage of shares held to issued capital
1 SHKL GROUP LIMITED	24,285,000	16.4
2 SUNTECH INVESTMENTS INTERNATIONAL LIMITED	21,949,145	14.8
3 CROSS-STRAIT COMMON DEVELOPMENT FUND CO LIMITED	21,482,520	14.5
4 WELLPOINT INC LIMITED	19,848,888	13.4
5 SINO AUSTRALIA HOLDING COMPANY LIMITED	17,509,577	11.8
6 VITRON WERKBUND SUD AUSTRALASIA PTY LTD	14,173,348	9.6
7 AUSTRALIAN MINING GROUP LTD	7,432,500	5.0
8 RENERGY PTY LTD	4,788,665	3.2
9 DEMPSEY RESOURCES PTY LTD	4,000,000	2.7
10 MR BRIAN JOHN PEADON	2,672,067	1.8
11 RYAN CONSTRUCTIONS PTY LTD	1,442,000	1.0
12 MR QIZHONG WANG & MS RONG LI	1,341,625	0.9
13 MS LIJUN LI	1,220,948	0.8
14 MR DAVID ANTHONY	638,000	0.4
15 THE GENUINE SNAKE OIL COMPANY PTY LTD	349,200	0.2
16 MR JOSEPH-NATHAN D'URBERVILLE	303,789	0.2
17 AUNION FINANCE PTY LTD	260,557	0.2
18 MS MELISSA ANN LAWRENCE	240,000	0.2
19 PATERSONS SECURITIES LIMITED	230,762	0.2
20 MR CONSTANTINE MICHAEL LUCAS & MS KATHERINE LUCAS	170,000	0.1
	144,338,591	97.6

2 COMPANY SECRETARY

The name of the company secretary is Mr Scott Francis Evans B.Ec(hons), GAICD, SA Fin.

3 REGISTERED OFFICE

The address of the principal registered office and place of business in Australia is:

Level 2,

117 Scott Street

Newcastle NSW 2300

4 REGISTERS OF SECURITIES ARE HELD AT THE FOLLOWING ADDRESS

New South Wales: Boardroom Pty Ltd
 Grosvenor Place
 Level 12
 225 George Street
 Sydney NSW 2000
 www.boardroomlimited.com.au
 P: +61 2 9290 9600 | F: +61 2 9279 0664

5 UNQUOTED SECURITIES

Partly Paid Shares

A total of 1,500,000 partly paid shares are on issue paid to 1 cent. They have one outstanding call of 99 cents each. The date of the final call is at the security holder's discretion.

Options over Unissued Shares

A total of 737,383 options are on issue.

Option Expiring 15 Oct 2016 exercise price \$0.50	413,971
Option Expiring 15 Oct 2017 exercise price \$0.50	323,412

6 VOTING RIGHTS – ORDINARY SHARES

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meetings or by proxy has one vote on a show of hands.

7 ON-MARKET BUY BACK

There is no current on market buy back.

8 ANNUAL GENERAL MEETING

The NSX Limited Annual General Meeting is expected to be held at 3.30pm (AEST) on Thursday, 10 November 2016, in Sydney, New South Wales.

9 SOURCES OF INFORMATION FOR SHAREHOLDERS

Amendments to the Corporations Act have allowed changes to the way NSX delivers the Annual Report to shareholders each year. NSX sends to shareholders a letter asking shareholders to nominate how they wish to receive the Annual Report. NSX will send you a hardcopy Annual Report, free of charge, only if you elect to receive it. Alternatively NSX will provide details to shareholders on how to access the Annual Report in electronic form from the NSX website when NSX sends you the Notice of Meeting for the Annual General Meeting. This report is located at: http://www.nsx.com.au/about/nsx_reports. Shareholders can access NSX documents, Governance and corporate information from the NSX website (www.nsx.com.au) from the About link.

FOR YOUR NOTES

FOR YOUR NOTES

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NSX LIMITED AND CONTROLLED ENTITIES – THE INNOVATIVE GLOBAL EXCHANGE