

## REPORT FOR FOURTH QUARTER FY17

Advanced Nano Technologies Ltd is a specialist developer, manufacturer and supplier of nano materials used in personal care, cosmetic and other sectors.

Advanced Nano Technologies' two primary products are ZinClear™ a transparent zinc oxide based broad spectrum UV photostable UVA & UVB filter for use in the sun care and cosmetics sector and Alusion™ an aluminium oxide pigment with applications in cosmetics products.

ANO services its international customer-base via a global network of distributors covering 31 countries.

### **ASX: ANO**

#### **Directors**

Lev Mizikovsky (Chairman)  
Rade Dudurovic  
Geoff Acton (Managing Director)

#### **Company Secretary**

Geoff Acton

#### **For further information, please contact:**

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### **Quarterly Overview**

- Cash flow from operations for the June 2017 quarter was a negative \$295,616. The negative operating cash flow for the quarter is the result of the reduced sales for the March quarter with the pre-cursor supplier change, as previously announced in April 2017, but a significant increase in debtors for the June quarter from \$702,103 to \$1,677,253 due to increase in shipments.
- The R&D return income is expected to be received in the September quarter 2017. Last year received in June quarter.
- The rent amount has increased for the June quarter to adjust for a classification error from the prior quarter.
- The wages for the June quarter is higher due to 13 weeks payroll and some additional overtime required to meet the increased production demands created from the pre-cursor issue in the March quarter.
- Cash balance (unaudited) as at 30 June 2017 was \$908,287 compared to \$1,441,557 as at 31 March 2017.
- FY17 Sales Revenue (unaudited) in ZinClear™ and Alusion™ is up \$629,427 (16%) compared to FY16.

+Rule 4.7B

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

ADVANCED NANO TECHNOLOGIES LIMITED

**ABN**

54 079 845 855

**Quarter ended ("current quarter")**

30 JUNE 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	369	3,458
1.2 Payments for		
(a) research and development	22	(62)
(b) product manufacturing and operating costs	(338)	(1,643)
(c) advertising and marketing	(2)	(60)
(d) leased assets	(4)	(15)
(e) staff costs	(137)	(576)
(f) administration and corporate costs	(95)	(478)
(g) rent	(101)	(345)
(h) insurance	(1)	(80)
(i) legal fees	(6)	(143)
(j) corporate costs – ASX, share registry & accounting	(3)	(79)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(296)</b>	<b>(23)</b>

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(81)	(88)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	(74)	(74)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(155)</b>	<b>(162)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,442	1,196
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(296)	(23)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(155)	(162)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(83)	(103)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>908</b>	<b>908</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	902	1,436
5.2	Call deposits	6	6
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>908</b>	<b>1,442</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	34
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	20
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	(15)
9.2 Product manufacturing and operating costs	(450)
9.3 Advertising and marketing	(5)
9.4 Leased assets	(5)
9.5 Staff costs	(140)
9.6 Administration costs	(100)
9.7 Other rent & legal fees & corporate costs	(96)
<b>9.8 Total estimated cash outflows</b>	<b>(811)</b>

