

## ASX ANNOUNCEMENT

### Appendix 4C Quarterly Cash Flow Report For the Quarter Ending 31 March 2018

iQ3Corp Ltd (“iQ3” or “Company”) (ASX:IQ3), a corporate finance and advisory firm specialising in the Life Science industry, releases the following commentary in relation to its Appendix 4C report for the quarter ended 31 March 2018.

#### The key results are:

- Cash and cash equivalents at the end of March 2018 of \$458K, **an increase of \$80K (21%)** on the balance at the end of December 2017, and **an increase of \$86K (23%)** on the balance at the end of March 2017.
- Customer receipts were \$2,280K in Q3 FY18, compared to \$1,343K in Q2 FY18.
- An increase of 65% in net cash flows generated in operating activities for Q3 FY18 when compared to Q2 FY18 (Q3 FY18 \$185K generated; Q2 FY18: \$112K generated) due to an increase in receipts from customers.
- iQ3 continues to maintain a financial position of **zero external debt**.

As stated in the Company’s Replacement Prospectus dated 23 February 2015, the Company’s 7,150,000 Loyalty Options at 30 cents each are open to be exercised by the option holders during the 12-month period until 14 May 2018.

## Revenue

iQ3 derives its revenue by providing corporate advisory services in the following areas:

- By screening opportunities through science incubators, Academic institutes and life science organizations (both Australian and overseas) to identify the ones presenting the highest commercial potential and lowest possible risk.
- Modelling risk reward ratios of the opportunities and presenting to potential investors.
- Charging a corporate advisory fee for sourcing, structuring and conducting due diligence of the project.
- Determining and structuring the appropriate project capitalisation financial instruments
- Proceeding to raise capital to fund the project
- Managing the capital raise transaction
- Managing the structural aspects of the project to the next round of funding

## Related Parties

In its corporate advisory capacity, iQ3 will typically represent its clients in a nominee capacity in the early stage of the projects and have its key management personnel in common involved in managing the structural aspects of the project. Accordingly, these project entities are viewed as related parties in accordance with AASSB 124 – Related Party Disclosure, and disclosed accordingly in the financial statements as, “100 percent of the Group’s revenue is derived from related parties”.

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## About iQ3

iQ3Corp is the world's first dedicated life science corporate finance and advisory firm.

[www.iq3corp.com](http://www.iq3corp.com)

## About The iQ Group Global

The iQ Group Global provides a turnkey solution for life science companies, spanning corporate advisory and investment banking, through to research, development, commercialisation and sales. The Group facilitates an end to end solution along the drug lifecycle creating the medicines of tomorrow.

[www.theiggroupglobal.com.au](http://www.theiggroupglobal.com.au)

## Contact

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## 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**

iQ3Corp Ltd

**ABN**

63 160 238 282

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

31 March 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,280	4,559
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(839)	(1,088)
(c) advertising and marketing	(15)	(124)
(d) leased assets	-	-
(e) staff costs	(985)	(2,176)
(f) administration and corporate costs	(252)	(857)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	(3)	(11)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(1)	(3)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>185</b>	<b>301</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(c) investments	(7)	(27)
	(d) intellectual property	-	-
	(e) other non-current assets	(62)	(353)
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 (costs of establishing new teams)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(69)</b>	<b>(380)</b>

<b>3.</b>	<b>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	-	428
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 (movements in related party accounts)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>428</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	378	166
4.2	Net cash from / (used in) operating activities (item 1.9 above)	185	301
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(69)	(380)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	428
4.5	Effect of movement in exchange rates on cash held	(36)	(57)
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>458</b>	<b>458</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	458	378
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (trust account)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>458</b>	<b>378</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter  
\$A'000

315

-

Directors' remuneration

**7. Payments to related entities of the entity and their  
associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter  
\$A'000

149

-

Consulting fees and Shared overhead costs

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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.		

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	100
9.3 Advertising and marketing	50
9.4 Leased assets	-
9.5 Staff costs	1,000
9.6 Administration and corporate costs	250
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>1,400</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

  
(Director)

Date:

30/4/2018

Print name:

Jimena Hurtado

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.