

21 December 2022

ASX Compliance Pty Ltd  
20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

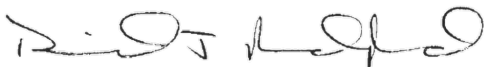
**RE: AnteoTech Ltd (ASX: ADO): Query Letter**  
**Reference: 65793**

Please find below responses to the questions raised in the query referred to above.

1. ASX observes that per ADO's disclosure in its Appendix 4C (paragraph A), ADO has approximately 1.959 quarters of funding available. Did ADO have less than two quarters of estimated funding available at 30 September 2022?
  - *Noted. No – the calculation included in the Appendix 4C does not allow a company to take into consideration unusually high expenditure in the previous quarter, forecast of future cash flows and anticipated large inflows (R&D tax incentive).*
  
2. Does ADO expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
  - *ADO expects that it will not have less than the current level of net operating cash flows for the time being, as are stated in its Appendix 4C for the period ending 30.9.2022 (30.9.22 Appendix 4C). The entity had higher than normal costs for clinical trials and other consulting during the quarter ending 30.9.2022.*
  
3. Has ADO taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
  - *ADO has taken the following steps to raise further cash and to conserve cash to fund its operations:*
    - *ADO has received \$3.2m in relation to the R&D tax incentive during the quarter ending 31.12.2022*
    - *ADO has terminated the European clinical trial*
    - *ADO has completed a project leading to high consulting fees. The project was focused on business development activities.*
    - *ADO considers its cash position on a regular basis at the Management and Board level to determine future cash resource requirements and/or the need to reduce expenditure*

4. Does ADO expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
  - *Yes, on the basis of ADO's current level of net operating cash flows for the quarter ending 31.12.2022 and as a result of the steps taken as referred to in paragraph 3 above.*
  
5. Does ADO expect to have a similar level of net operation cash flows in the December 2022 quarter as the September 2022 quarter?
  - *In light of the above responses, ADO expects to achieve a level of net operating cash flows for the quarter ended 31.12.2022 that are higher than those described in the 30.9.22 Appendix 4C.*
  
6. Please confirm that ADO's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ADO with delegated authority from the board to respond to ASX on disclosure matters.
  - *I confirm that the above responses have been authorised and approved in accordance with its continuous disclosure policy and I am authorised as a director of ADO with delegated authority from the ADO Board to respond to the ASX in relation to the matters raised in your abovementioned letter.*

AnteoTech Ltd



David Radford  
Managing Director and Chief Executive Officer



16 December 2022

Reference: 65793

Mr Tim Pritchard  
CFO & Company Secretary  
AnteoTech Limited

By email:

Dear Mr Pritchard

**AnteoTech Limited ('ADO'): Query Letter**

ASX refers to the following:

A. ADO's Appendix 4C report for the period ending 30 September 2022 and released on the ASX Market Announcements Platform ('MAP') on 20 October 2022, which disclosed that:

- (1) ADO had net cash outflows of \$3,269,000 for the quarter ending 30 September 2022;
- (2) ADO had total available funding of \$6,405,000 at 30 September 2022;
- (3) ADO had an estimated 2.0 quarters of funding available; and
- (4) ADO's responses to Questions 8.6.1, 8.6.2 and 8.6.3 of Section 8 were "Not Applicable".

B. Section 7 of Guidance Note 23 which states:

*"Entities should note section 8 of Appendixes 4C and 5B, which requires an entity to calculate the estimated quarters of funding it has available, based on its cash burn for the latest quarter. If it has less than 2 quarters of funding available, it will be required to answer 3 further questions in its Appendix 4C or 5B..."*

C. ASX's Listed@ASX Compliance Update no. 09/22,<sup>1</sup> which states:

*"ASX advises entities that rounding is not permitted in the calculation of the remaining number of quarters of funding available. An entity cannot round its available funding up to meet the test of two quarters of available funding. There is no de minimis exception to this, so for example, an entity with 1.99 quarters of funding must disclose that fact and complete the additional questions. The entity is not permitted to round 1.99 up to two..."*

*The failure of a listed entity to meet the disclosure requirements in Appendix 4C or Appendix 5B may result in action being taken by ASX. Such action may include, for example:*

- *requiring the entity to re-submit its Appendix 4C or Appendix 5B*
- *issuing a query letter to the entity and releasing its response to the market*
- *suspending or continuing to suspend trading in the entity's securities if its responses to ASX's queries are unsatisfactory."*

<sup>1</sup> <https://www2.asx.com.au/content/dam/asx/documents/listings/compliance-updates/2022/listed-at-compliance-update-nov-2022.pdf>

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## Request for information

Having regard to the above, ASX asks ADO to respond separately to each of the following questions and requests for information:

1. ASX observes that per ADO's disclosure in its Appendix 4C (paragraph A), ADO has approximately 1.959 quarters of funding available. Did ADO have less than two quarters of estimated funding available at 30 September 2022?
2. Does ADO expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
3. Has ADO taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
4. Does ADO expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
5. Does ADO expect to have a similar level of net operation cash flows in the December 2022 quarter as the September 2022 quarter?
6. Please confirm that ADO's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ADO with delegated authority from the board to respond to ASX on disclosure matters.

## When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9.30 AM AEDT Wednesday, 21 December 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ADO's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require ADO to request a trading halt immediately.

Your response should be sent to me by e-mail at [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

## Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in ADO's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

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We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in ADO's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to ADO's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that ADO's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

### **Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Regards

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**Lisa Banh**  
Senior Adviser, Listings Compliance (Sydney)