

# QUARTERLY ACTIVITIES REPORT

September 2023



Li-S Energy



*Li-S Energy Limited (ASX: LIS) ("Li-S Energy" or "the Company") is pleased to provide the following activities report for the quarter ended 30 September 2023, pursuant to Listing Rule 4.7C*

*Stock image*

## CONTENTS

Quarterly highlights | New dry room commissioned  
High altitude drone collaboration | Equipment factory acceptance testing update  
New advisory panel & team members | ESG report out now

# CEO's REPORT

During the quarter, the construction of our **Phase 3 2MWh production facility** hit several key milestones.

The **220 square metre dry room**, one of the largest in Australia, has been commissioned, passing all tests and exceeding its key performance specifications.

The **clean room**, designed for cathode production, was also completed and commissioned during the quarter. New ball mills, slurry mixers and roll to roll cathode coaters have been installed to scale up cathode production to meet Phase 3 requirements.

In September, members of our team travelled overseas to successfully complete **Factory Acceptance Testing** of our Phase 3 automated production line. This equipment is now being shipped to Geelong for installation and commissioning.

**The Phase 3 cell test facility** and equipment has now been delivered. When commissioned, it will enable us to conduct an extensive range of essential performance and abuse testing 'in-house', including nail penetration, high altitude (low pressure), shock, crush, thermal, short circuit and overload testing, required on an ongoing basis for testing commercial cells.

Meanwhile our scientific development teams continue to improve and optimise the construction, design and materials for the semi-solid-state lithium sulfur and lithium metal pouch cells targeting Phase 3 production.

I am very pleased to welcome **V-TOL Aerospace** and **Halocell** as new Australian partners. Together we have established a joint program to develop low and high-altitude long endurance drones. By

combining our high energy lightweight battery cells, Halocell's advanced solar cells and V-TOL's aircraft design and construction team, the project aims to deliver both small drones that can fly "dawn-til-dusk", and larger high-altitude drones that can fly for weeks at a time without landing. The collaboration is designed to demonstrate the clear benefits of our cells in these applications.

Meanwhile we continue to progress the programs with our existing collaboration partners such as **magniX** for the **NASA eAviation** project, with the next key steps being delivery of cell data sheets, test and trial cells produced in the new Phase 3 facility.

During the quarter we appointed **Isobel Sheldon OBE** and **Bob Galyen** to our Advisory Panel. Bob is a globally renowned leader in battery manufacturing, with over 10 years as CTO of CATL – the largest battery manufacturer in the world. Isobel received her OBE for services to the battery sector and has extensive experience in the European battery industry. Together Isobel and Bob represent a powerhouse of knowledge, networks and advice that we will continue to leverage as we drive Li-S Energy forward towards international partnerships, manufacturing and commercialisation.

**Dr Lee Finniear**  
Chief Executive Officer



Stock image

# Highlights, material developments and changes

## Q1 '24



Signed collaboration agreement with drone developer & operator V-TOL Aerospace & advanced solar panel maker Halocell to develop and test HALE drones



Dry room construction completed and commissioned, with the room now fully operational and operating at correct humidity conditions



Completed overseas factory acceptance testing of the Phase 3, 2MWh production equipment



Completed design and construction of purpose built clean room for preparation and production of our cathodes



Continued to build out the team, with the recruitment of a cell test manager and coating specialist during the quarter



Appointment of highly-regarded battery industry experts and executives Bob Galyen and Isobel Sheldon OBE to our global advisory panel



Released our first separate ESG report outlining our commitment to a greener energy future and the role we play



The Company had \$30.1 million in cash at 30 September 2023



### Li-S Energy

## PHASE 3 DRY ROOM FULLY COMMISSIONED

The new Phase 3 Dry Room is complete.

Commissioning the Dry Room is a major milestone in our 2MWh production facility construction, and marks a significant and complex engineering achievement.

At 220 square metres in size, the dry room is one of the largest in Australia. Its role is to eliminate moisture from the atmosphere for production processes where lithium metal and other moisture sensitive materials are exposed during cell fabrication. The large dry room space enables production equipment and teams to operate at full capacity without the restriction of inert gas enclosures or glove boxes.

Designed and built by Humiscope — a Queensland based specialist company — the dry room has a complex external infrastructure, including a large external chiller that works with European built dehumidifiers to dry the atmosphere to less than 50 PPM (parts per million) of water vapour, a dew point below  $-50^{\circ}\text{C}$ . This dry air is circulated into the dry room through a maze of sealed ducting and filtration systems.

The Dry Room will house the majority of our anode production and cell fabrication equipment, which is scheduled for delivery in November. A sealed airlock is installed to enable our production teams to enter and leave the dry room while preventing the external atmosphere from contaminating the facility.

The Dry Room is complemented by a clean room, which will house the phase 3 cathode and materials production equipment.



1. Our European built dehumidifiers



2. The external chiller

# PARTNERSHIP WITH V-TOL AEROSPACE

Recently, we were pleased to announce we've entered into a collaboration with V-TOL Aerospace and Halocell to design and test Low & High Altitude Long Endurance (HALE) drones.

The goal is to create two long endurance fixed wing drone systems, a low-altitude aircraft capable of flying "dawn til dusk", and a high-altitude aircraft capable of sustained flight in the stratosphere at an altitude of up to 70,000 feet (21 km) for several weeks without landing.

The prototype drones will combine our lightweight lithium sulfur batteries, Halocell's perovskite solar cells, and V-TOL's Pegasus fixed-wing aircraft designs. There are many promising applications for long endurance drones, including surveillance, environmental monitoring, digital farming, disaster response, infrastructure inspections, remote delivery services, and scientific research.

The drones, currently in the prototype phase, are being designed to maximize the synergies between the three technologies involved. Initial internal modelling suggests that for the low-altitude system, the new prototypes could offer up to six times the flight time of current small-fixed wing drones.

For this project, we will produce the lightweight lithium sulfur pouch cells at our new \$10 million production facility in Geelong. These batteries have demonstrated a remarkable gravimetric energy density of over 400 Wh/kg and a volumetric energy density of 540 Wh/l, making them ideal for aerospace applications.

Li-S Energy CEO, Dr. Lee Finniear, emphasised that the collaboration was not only an opportunity to establish a new sovereign capability for the Australian drone and aviation industry, but an important chance to showcase how Li-S Energy lightweight cells deliver critical performance benefits to the rapidly expanding drone industry in Australia and globally.

V-TOL Aerospace, renowned for its expertise in drone development, envisions creating a family



*V-TOL Aerospace Managing Director Mark Xavier & Li-S Energy CFO Sarah Price with a very early prototype*

of high-tech drones, sensors, and robots capable of operating from dawn till dusk and beyond.

V-TOL Managing Director Mark Xavier highlighted the collaborative potential to push the boundaries of current technologies, suggesting a positive impact on the Australian economy through both manufacturing capability and geospatial and communication benefits.

The collaboration also includes Halocell, a Wagga-based solar panel manufacturer specialising in Perovskite Solar Cells (PSC). These custom-designed solar cells will be integrated into the drones' structure, allowing them to harness solar energy during daylight flights. Halocell's CEO, Paul Moonie, expressed enthusiasm about the opportunity to showcase their solar PV technology in drones, emphasising the significance of this collaboration for their future endeavours in aerospace and aviation.

As the project progresses, the combined efforts of Li-S Energy, V-TOL Aerospace, and Halocell are poised to significantly impact the drone industry, offering innovative solutions to a wide range of applications while showcasing Australia's capabilities on the global stage. Stay tuned for further updates on this exciting collaboration.

# 2MWh PRODUCTION EQUIPMENT PASSES FACTORY ACCEPTANCE

In late September, members of the Operations and Production teams conducted Factory Acceptance Tests on the Phase 3 production equipment in Asia before its shipment to Australia. This was a vital step in the commissioning of our 2MWh production facility, ensuring the equipment meets our specifications and adheres to stringent safety standards.

During the trip, eleven discrete cell fabrication machines, custom-designed to Li-S Energy's specifications, underwent thorough inspection. These machines are integral to Phase 3 production and were scrutinised to guarantee precision in cell manufacturing. Following the successful trials, the manufacturer will now install and commission the equipment at our Geelong site to ensure each manufacturing step and the final cell product meets required quality standards.

The inspection process also focused on essential aspects such as safety interlocks, component quality, wiring standards, and physical connections like power and gas.

These checks are crucial to ensure a safe operating environment, enable the equipment to seamlessly integrate into the rest of our facility, and align with required industry standards.

## Arrival of Phase 3 battery test equipment

As part of Phase 3, Li-S Energy has received delivery of the equipment for its comprehensive battery testing facility. This advanced machinery will facilitate industry standard testing of cells under various adverse conditions. Testing protocols include charging and discharging cells at different temperatures, drop testing, nail penetration, vibration, and high altitude (low-pressure) testing providing essential insights into the behaviour of our cells in real-world scenarios.

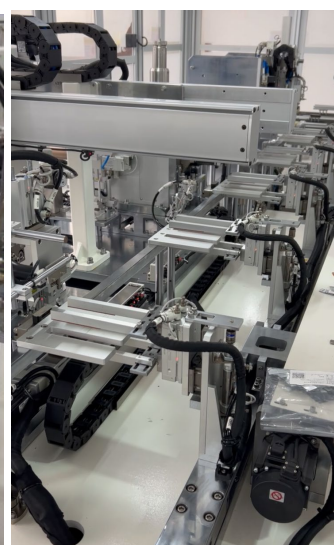
To complement the facility, a purpose-built container, set for delivery in November, will enable us to test large numbers of cells in a safe, controlled environment, enhancing the company's cell test capabilities.



*Anode Cutter #1*



*Cell stacker #1*



*Ultrasonic welding line*

# INDUSTRY EXPERTS APPOINTED TO OUR ADVISORY PANEL

In July, Li-S Energy proudly welcomed renowned battery industry experts Bob Galyen and Isobel Sheldon OBE to its global advisory panel. Galyen, a seasoned professional with nearly 50 years of experience in leading battery manufacturers and technology firms, previously served as Chief Technology Officer at CATL, the world's largest lithium-ion battery manufacturer. He has also held executive roles at Magna International, Tawas Inc., and Delphi. Galyen's extensive industry advocacy includes chairing the SAE International Battery Standards Steering Committee for eight years.

Sheldon, with two decades of experience in the battery sector, was honoured with an OBE for her contributions to electric vehicle (EV) batteries. She held senior roles at Johnson Matthey Battery Systems and Cummins Electrified Power, and she serves on the Board of Trustees at the Faraday Institution, a leading UK battery research

organization. Sheldon's dedication to advancing electrified transport is evident through her collaborations with major automotive manufacturers such as Jaguar Land Rover, Lotus, and Nissan.

Galyen expressed his excitement about supporting Li-S Energy's technology development, citing the company's impressive progress. Sheldon OBE echoed this sentiment, highlighting Li-S Energy's commitment to enhancing EV batteries, aligning with her personal industry goals.

Our CEO Dr. Lee Finniear emphasised the pivotal role of the global advisory panel in guiding the company's international expansion, partnership acquisitions, and large-scale production initiatives. He praised Galyen and Sheldon as industry powerhouses, confident in their ability to drive Li-S Energy's partnerships and strategies towards full commercialisation, and enhancing shareholder value.

*Welcome to our new  
global advisory panel members*



*Bob Galyen*



*Isobel Sheldon OBE*

# LI-S ATTRACTS INTERNATIONAL TALENT

Li-S Energy's reputation as a leader in battery and renewable energy innovation continues to attract top talent from around the world.

## Justin Holloway – Cell Test & Production Manager

After an early career in power generation, Justin's passion for renewable energy drove him to spend the last decade working at the cutting edge of advanced battery technologies in Australia and overseas.

Before joining Li-S Energy, Justin spent six years in the electrochemical materials team at Warwick Manufacturing Group (WMG) in the UK, where he managed a team that developed battery testing, characterisation, degradation and safety systems and protocols.

Justin will play a key role in commissioning and operating the company's \$10 million 2MWh cell production and testing facility currently completing construction in Geelong.



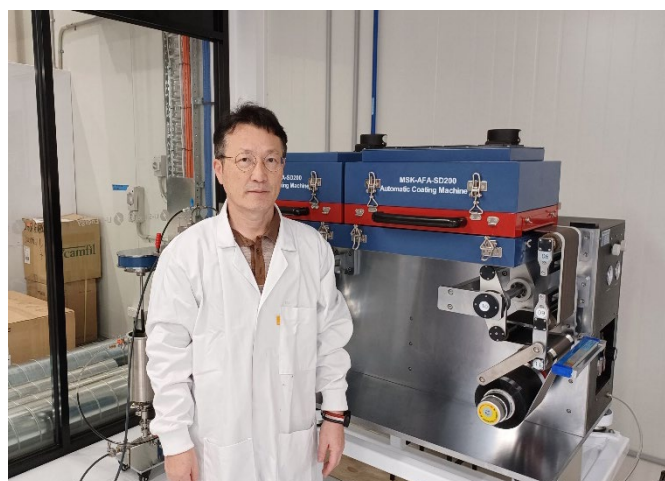
“Li-S Energy's technology is at the cutting edge of what is possible with lithium sulfur batteries and I'm excited to join the team and play my part in helping it reach its full potential.”

Before WMG, Justin also worked for the Faraday Institution – the UK's peak body for research and development of new electrical storage technologies – where he played a key role in the Degradation and

SafeBatt projects. He has published several papers and presented at a number of international conferences in these areas.

## Ben Lee – Cathode Formulation & Coating Specialist

Ben Lee's career spans almost 35 years as a senior materials and production engineer, specialising in materials production and electrode coating for batteries & capacitors.



Ben gained his experience contributing to the success of world-renowned companies including Samsung, SsangYong and Thales, with roles in Korea, USA and Australia.

At Samsung he developed coating systems including slot-die coaters, and pioneered binder, mixing and slurry dispersion methods to enable the coating of nano-sized powders. In other roles he gained experience in ball milling, slurry pumping and production automation.

Ben is also ISO 9001 and Six Sigma trained as a project manager, and has lean manufacturing, 5S and Kaizen qualifications.

Having Ben's experience will be a critical advantage as we scale up our materials development, production engineering and cathode coating to a high quality, automated manufacturing system.

Ben joins Li-S from global technology group Thales Australia where he was a Senior Production Engineer overseeing production of piezoelectric ceramic materials and formulations.

We look forward to Justin and Ben making a valuable contribution as we bring our 2MWh cell production facilities online.



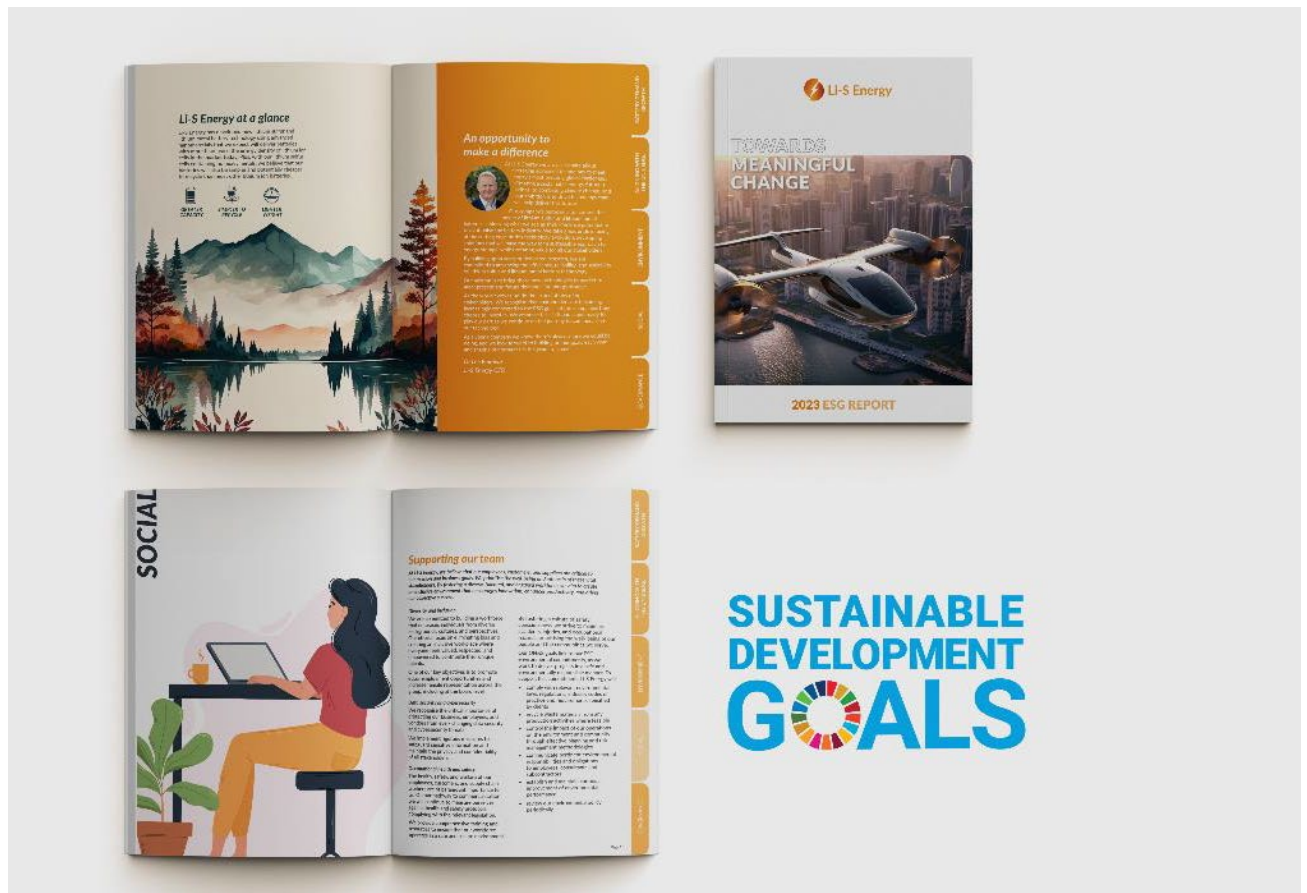
# ESG REPORT OUT NOW

This year marked another milestone for us as we unveiled our inaugural independent [ESG Report](#), showcasing our pivotal role in the global movement towards a carbon-neutral energy future. While ESG covers a range of initiatives, at the heart of our mission are our groundbreaking technologies: lithium sulfur and lithium metal batteries.

These innovations have the potential to transform how we power our world, particularly in the aviation and heavy vehicle sectors, offering a multitude of advantages and contributing significantly to a more sustainable future.

Our company is dedicated to harnessing the exceptional capabilities of lithium sulfur and lithium metal batteries, believing in their power to revolutionise the battery industry. We take pride in being pioneers of this technological advancement, developing solutions that pave the way for sustainable energy storage while creating value for all our stakeholders.

Being a young company, we know there's always more we could be doing. We anticipate expanding our efforts each year, striving to achieve our goals and sharing our advancements in the years to come.



# SUMMARY OF EXPENDITURE

Please refer to Appendix 4C below for the detailed quarterly cash flow report, including a summary of the Company's expenditure on the above activities.

Net cash outflows used in operating activities during the quarter were \$942,000. This was primarily driven by:

- Total staff costs of \$382,000, of which \$181,000 was reallocated to investing activities and capitalised against intellectual property and property, plant and equipment;
- Payments for administration and corporate costs of \$1,304,000, consisting of payments for management support and consulting engineering services to subsidiaries of PPK Group Limited of \$206,000, and other administration and corporate costs of \$1,098,000; and
- Partly offset by interest income of \$394,000 and a GST refund received of \$189,000.

The net cash outflows used in investing activities during the quarter were \$1,563,000, consisting primarily of:

- Payments for intellectual property of \$90,000, reflecting the capitalisation of employee costs against the development activities undertaken;
- Payments for property, plant and equipment of \$1,473,000, primarily related to equipment purchases and deposits for the phase 3 production facility;

The net cash outflows from financing activities for the quarter were \$845,000, consisting of payments for shares acquired by the employee share trust of \$780,000 and repayments to its lease liabilities of \$65,000, accounted for in accordance with AASB 16 *Leases*.

## USE OF FUNDS

Pursuant to Listing Rule 4.7C.2, the Company provides in Table 1 below, a comparison of its actual expenditure on the individual items in the “use of funds” statement since the date of admission to the official list against the estimated expenditure on those items in the “use of funds” statement in the IPO prospectus and an explanation of any material variances.

\$'000	Use of funds estimate (per Prospectus)	% of Funds	Cash payments to 30 September 2023	% of actual funds expended against Cash Payments to 30 September 2023
Project Expenditure	29,113	85.63%	12,147	59.36%
Costs of the Offer	3,582	10.54%	2,236	10.93%
Other Working Capital	1,305	3.84%	6,080	29.71%
<b>TOTAL</b>	<b>34,000</b>	<b>100.00%</b>	<b>20,462</b>	<b>100.00%</b>

**Table 1** – Comparison of “use of funds” statement per prospectus to cash payments since the date of admission to the official list of the ASX to 30 September 2023

For the purposes of the above “use of funds” table, the Company has allocated significant administration and corporate costs to the ‘Other Working Capital’ category. Per section 5.11 of the Prospectus, the Company held additional funds from pre IPO capital raisings for the purpose of funding working capital requirements. The ‘Other Working Capital’ cash payments to 30 September 2023 includes the secured loans advanced in the year ended 30 June 2023. The total cash at the date of IPO was \$50,563,000. Total cash as at 30 September 2023 was \$30,101,000.

The material variances above are a result of the timing of the actual cash payments versus the use of funds period estimate utilised in the IPO prospectus, being the period to 30 June 2024. Furthermore, expenditure does not occur in a linear manner, with actual cash payments evolving as the Company progresses towards the completion of the construction and fitout of the phase 3 facility.

# PAYMENTS TO ASSOCIATES OR RELATED PARTIES

In accordance with Listing Rule 4.7C.3, the Company advises that it paid \$300,000 to related parties of the Company during the quarter, consisting of:

- payments to Deakin University of \$94,000 in payments under various lease agreements for production bays at Deakin's ManuFutures advanced manufacturing hub in Geelong, Victoria;
- payments to subsidiaries of PPK Group Limited of \$206,000, including \$200,000 for management support services provided in accordance with the relevant agreement, and as disclosed in section 12.6 of the Prospectus; and \$6,000 for consulting engineering services.



*Stock image*

## CORPORATE DIRECTORY

Li-S Energy Ltd ABN 12 634 839 857

A public company incorporated in Queensland and listed on the ASX (code LIS)

Chief Executive Officer	Dr Lee John Finniear
Chief Financial Officer	Ms Sarah Price
Board of Directors	Mr Benjamin Spincer Mr Robin Levison Mr Anthony McDonald Ms Hedy Cray
Company Secretaries	Mr Will Shiel Mr Liam Fairhall
Registered Office	Level 13 120 Edward St Brisbane QLD 4000 p +61 7 3054 4555 e info@lis.energy w lis.energy
Stock Exchange Listing	ASX Code LIS
Auditor	Ernst & Young
Share Registry	Automic Share Registry Level 5, 126 Phillip Street Sydney NSW 2000 www.automicgroup.com.au
Media Enquiries	Ben Ready RGC Media + Mktng ben@rgcmm.com.au



## Appendix 4C

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

**Name of entity**

Li-S Energy Limited

**ABN**

12 634 839 857

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

30 September 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(201)	(201)
(f) administration and corporate costs	(1,304)	(1,304)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	394	394
1.5 Interest and other costs of finance paid	(20)	(20)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST refunds	189	189
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(942)</b>	<b>(942)</b>

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(1,473)	(1,473)
(d) investments	-	-
(e) intellectual property	(90)	(90)
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:	-	-
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) 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>(1,563)</b>	<b>(1,563)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(65)	(65)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (purchase of shares in Li-S Energy Limited by the employee share trust)	(780)	(780)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(845)</b>	<b>(845)</b>

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
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<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 period	33,451	33,451
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(942)	(942)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,563)	(1,563)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(845)	(845)
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>30,101</b>	<b>30,101</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	30,101	33,451
5.2	Call deposits	-	-
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>30,101</b>	<b>33,451</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	300
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*



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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	N/A	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(942)
8.2 Cash and cash equivalents at quarter end (item 4.6)	30,101
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	30,101
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	32.0
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity 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?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

**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.

Date: 30 October 2023

Authorised by: .....The Board.....  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.