



## ASX ANNOUNCEMENT

### JATENERGY LIMITED

ABN 31 122 826 242

### ASX CODE: JAT

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24 January 2017

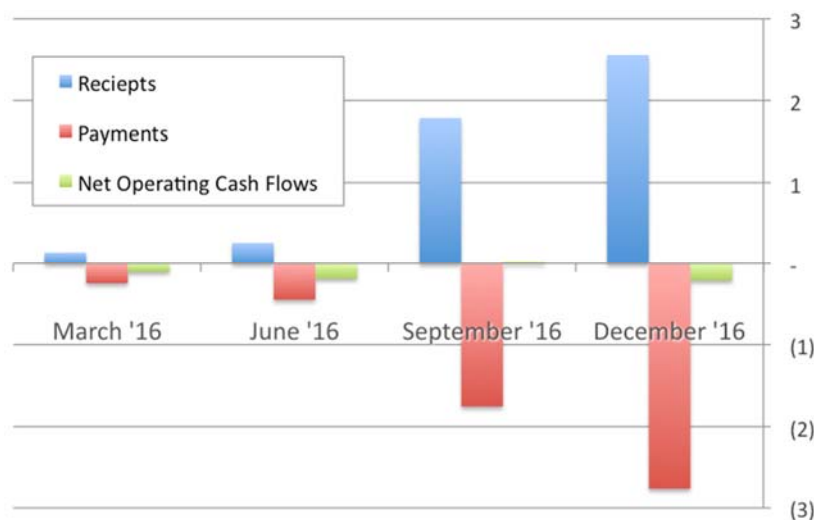
### Appendix 4C & Sales Update – Quarterly Report

Jatenergy (JAT) is pleased to present its Appendix 4C for the quarter ended 31st December 2016 which is attached.

The board is delighted to announce another significant increase in revenue for the December quarter over those of September, June and March. **Sales for the quarter were just above \$2.5 million due to increased activity in our DAIGOU(\*) sector.** We expect this strength to continue, assisted by more significant Chinese 'consumer days' to come, including Lunar New Year.

We include a graph showing receipts, payments and net operating cash flows (in millions of dollars) for the last four quarters, to illustrate the scale of growth in revenue. Previous net cash flows have been restricted due to the previous coal activities.

As mentioned in previous 4C commentary, JAT has and will continue to improve its short term cash flows by exporting Australian products to China.



We acknowledge that there are a number of Australian exporters offering single products, such as milk powder, or targeting single markets, such as personnel care products. Clearly this narrow approach exposes those companies to fragility in earnings.

JAT has adopted a broader portfolio approach, exporting a wide range of products in different markets. This provides a measure of protection from fluctuations in consumer likes and dislikes. We seek exclusive markets and products that we believe offer long term potential. Ultimately JAT expects to sell its own products through dedicated distribution channels.



Currently the company is reviewing the export market for beef to China and is in negotiation with a number of Australian producers regarding premium beef exports.

A recent rights issue, underwritten by myself, Austratronics Pty Ltd and Wilton Yao, was very successful. We try to keep existing shareholders involved in any capital raising, and expect our expanding revenue to drive future profitability.

Yours faithfully

A handwritten signature in black ink, appearing to read 'T. Crimmins'.

Tony Crimmins, Director

(\*) Daigou (also hǎiwài dàigòu) is a channel of commerce in which a Chinese person overseas purchases luxury goods for a customer in mainland China. The phrase means 'buying on behalf of'.

#### **Media and Management 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**

Jatenergy Limited

**ABN**

31 122 826 242

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

31 December 2016

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	2,556	4,341
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(2,641)	(4,268)
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	-	-
	(f) administration and corporate costs	(123)	(249)
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</b>	<b>Net cash from / (used in) operating activities</b>	<b>(208)</b>	<b>(176)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(8)	(8)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
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</b>	<b>Net cash from / (used in) investing activities</b>	<b>(8)</b>	<b>(8)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	55	55
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</b>	<b>Net cash from / (used in) financing activities</b>	<b>55</b>	<b>55</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<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	267	235
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(208)	(176)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8)	(8)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	55	55
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>107</b>	<b>107</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	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	69	224
5.2	Call deposits	38	43
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>107</b>	<b>267</b>

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

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	105
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

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
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	

8. Financing facilities available <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. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	4,000
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	-
9.6 Administration and corporate costs	250
9.7 Other (provide details if material)	
<b>9.8 Total estimated cash outflows</b>	<b>4,250</b>

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

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	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: 24 January 2017

Print name: Tony Crimmins

**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.