

24th April 2017

Report to shareholders for the Quarter Ended 31st March 2017

iSignthis Ltd (iSignthis or the Company) (ASX : ISX) is pleased to provide the following business update and Appendix 4C for the quarter ended 31st March 2017.

Operating Summary	Mar Qtr	Dec Qtr	FY17 YTD
Cash Receipts	\$0.081m	\$0.02m	\$0.35m
Net Operating Cashflow	(\$1.3m)	(\$1.3m)	(\$3.8m)
Cash at Bank	\$5.4m	\$6.4m	\$5.4m

* All figures are in Australian dollars (A\$)

Highlights include:

- Increase in operational (transactional) revenues from existing integrated accounts;
 - The revenues above are ordinary operation revenues, resulting from fees charged to either Ixaris, Coinify or Blockchain:
 - per transaction processed to a card acquirer
 - per payment instrument verification (where it is independent of KYC on-boarding)
 - per multi page document processing (where it is independent of KYC on-boarding)
 - per active annual end user on-boarded to assist with KYC

- Eurosystem eMoney Institution license granted for ISXPay

- Agreement executed with Calforex and sister company GoInterpay. iSignthis to provide digital KYC services

- Appointed Executive General Manager and Anti-Money Laundering Compliance Officer to operations in Cyprus

- XM.co.uk deployed and transacting, with the company supplying identity verification services on a commercial basis. Other XM sites to follow progressively

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

ISIGNTHIS LTD

ABN

93 075 419 715

Quarter ended ("current quarter")

31 MARCH 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	81	350
1.2 Payments for		
(a) research and development	(73)	(272)
(b) product manufacturing and operating costs	(37)	(151)
(c) advertising and marketing	(23)	(48)
(d) leased assets	-	-
(e) staff costs	(616)	(2,042)
(f) administration and corporate costs	(683)	(1,786)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	39	125
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)	-	-
1.9 Net cash from / (used in) operating activities	(1,312)	(3,824)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(4)	(18)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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 (funds held on trust)	(50)	(50)
2.6	Net cash from / (used in) investing activities	(54)	(68)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	400	400
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)	-	-
3.10	Net cash from / (used in) financing activities	400	400

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	6,411	8,957
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,312)	(3,824)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(54)	(68)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	400	400
4.5	Effect of movement in exchange rates on cash held	(23)	(43)
4.6	Cash and cash equivalents at end of quarter	5,422	5,422

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	1,975	1,964
5.2 Call deposits	3,447	4,447
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,422	6,411

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	93
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	

Payments to directors and director related entities during the March 2017 quarter.

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	

Nil

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.		

Nil

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	120
9.2	Product manufacturing and operating costs	40
9.3	Advertising and marketing	50
9.4	Leased assets	-
9.5	Staff costs	710
9.6	Administration and corporate costs	700
9.7	Other (provide details if material)	-
9.8	Total estimated cash outflows	1,620

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:
(Company secretary)

Date: 24th April 2017

Print name: Todd Richards

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.