

Attachment to Appendix 4C

Summary of period 1 April 2017 to 30 June 2017

Sensera Limited (ASX: SE1) is pleased to provide the market with the quarterly report for the quarter ended 30 June 2017.

June Quarter Review

- Achievement of corporate objectives as per July ASX Release - FY17 Company update
- Microfabrication:
 - Production readiness for cornerstone clients; first anchor client will commence in Q3
 - Cash receipts up US\$69k on previous quarter; +43% for the quarter reflecting a growth in non-recurring engineering (NRE) work
 - Enhanced capability with recruitment of sales and engineering talent
- IP
 - Inorganic - on target to complete the first strategic acquisition in 2H 2017
 - Organic - on target to pursue commercial partners for water conservation product in 2018

Company Update

Sales

The first of the two anchor clients have passed part 1 of 2 process qualification stages and we expect to commence commercial production in the September quarter. This will ensure the CY17 revenue forecast of US\$2m is achieved.

We are scheduled to commence commercial production for our second anchor client in late Q4 2017. These two anchor clients underpin the previously announced CY18 revenue objectives of US\$7m.

Sensera is now providing services to 8 customers and we are focussed on attracting an additional anchor client i.e. a large market cap or multinational customer with the capability to fund extensive development work and enter long term production agreements of more than US\$2m per annum when in full commercial production.

Cash inflows from services increased from US\$160k to US\$229k for the quarter. Based on progress of the first two anchor clients it is anticipated that cash receipts will increase materially over the balance of 2017.

Operating Expenditure

The Sensera operating expenditure of US\$1,314k was modestly higher than budgeted primarily due to unbudgeted expenditure on external service providers as part of our M&A program. We added 3 contractors as we build out our microfabrication capability and they will transition to full time employees on confirmation of production scale purchase orders from our first anchor customer.

To assist shareholders to understand Sensera's microfabrication capability and the relevance of MEMs to a Company in the IoT sector, Sensera released the publication "What are Mems" which is available under the Investors - Publications and Presentations section on the Sensera website.

Capital Expenditure

During the quarter ended 30 June 2017, the Company paid US\$130k for new capital equipment which includes down payments for equipment that will be installed and fully paid for in Q3 2017. This is to ensure greater efficiency when servicing the future volume requirements of our two cornerstone clients.

IP

Sensera's strategy is to leverage the existing microfabrication capability whilst moving up the value chain in the IoT sector by incorporating machine to machine technologies such as sensors to collate and analyse data via software and hardware integration and create valuable insights and commercial benefits for users. This quarter Sensera committed US\$298k to the Towakon Project, a water conservation device in development that measures microflows of water and integrates the findings into an artificial intelligence product that can deliver material savings in the operation of commercial and residential property. The product is undergoing miniaturisation throughout 2H 2017 as a precursor to commercialisation in 2018.

For more detail on Sensera's water conservation product please read the IP & Commercialisation update released to the market on 6 April 2017.

As per previous communications to the market Sensera intends to accelerate its growth via acquisition and has continued engaging with selected targets that will facilitate rapid growth as a global organisation in the IoT sector by combining microfabrication capability with wireless sensing and data management. Late in the June quarter Sensera published a paper titled "What is IoT" describing the IoT sector and relevant technologies as a mechanism of providing insight into the future growth opportunities for Sensera.

To read "What is IoT" go to the Investors section of the Sensera website under the Publications and Presentations section.

Recruitment

In accordance with the ASX announcement of 25 May 2017 Sensera appointed an experienced Business Development executive, Brian O'Loughlin to the team. The Company also commenced the CEO recruitment process late in the period and remains on target to recruit an experienced CEO during 2H 2017.

Summary

In the 6 months since listing, Sensera has progressed operations in accordance with the 2017 Corporate objectives announced in February 2017. A progress update against those objectives was released in July 2017 ("FY17 Company Update"). The Directors are firmly of the view that the Company is entering a phase of rapid growth and will deliver on the objectives as described with the key outcomes for the balance of the calendar year including the transition of the first anchor client to commercial production, completion of a strategic acquisition and recruitment of an experienced CEO to drive the development of a global IoT organisation.

The Appendix 4C follows.

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

Sensera Limited

ABN

73 613 509 041

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows	Current quarter \$U.S'000	Year to date (12 months) \$U.S'000
1. Cash flows from operating activities		
1.1 Receipts from customers	229	600
1.2 Payments for		
(a) research and development	(298)	(454)
(b) product manufacturing and operating costs	(375)	(1,059)
(c) advertising and marketing	(65)	(270)
(d) leased assets	-	-
(e) staff costs	(359)	(1,142)
(f) administration and corporate costs	(515)	(1,755)
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)	-	-
1.9 Net cash from / (used in) operating activities	(1,383)	(4,079)

Consolidated statement of cash flows		Current quarter \$U.S'000	Year to date (12 months) \$U.S'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(130)	(831)
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(130)	(831)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	9,852
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	(6)	(746)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-

Consolidated statement of cash flows		Current quarter \$U.S'000	Year to date (12 months) \$U.S'000
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(6)	9,106

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	5,617	-
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,383)	(4,079)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(130)	(831)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(6)	9,106
4.5	Effect of movement in exchange rates on cash held	(51)	(148)
4.6	Cash and cash equivalents at end of quarter	4,047	4,047

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 \$U.S'000	Previous quarter \$U.S'000
5.1	Bank balances	4,047	5,617
5.2	Call deposits	-	-
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)	4,047	5,617

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
\$U.S'000

32

-

The amount at 6.1 includes payment of directors' fees and payments to a director related entity excluding reimbursement for administrative expenses and travel expenses.

7. Payments to related entities of the entity and their associates	Current quarter \$U.S'000
7.1 Aggregate amount of payments to these parties included in item 1.2	109
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	

Item 7.1 includes payments made to:

- Triton Inc. under the General Service Agreement as disclosed in under Section 11.3 on the Replacement Prospectus issued on 28 November 2016
- Henslow Pty Ltd for Corporate Advisory service rendered as disclosed in under Section 11.3 on the Replacement Prospectus issued on 28 November 2016, including reimbursements for administrative expenses and travel expenses.

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

N/A

9. Estimated cash outflows for next quarter	\$U.S'000
9.1 Research and development	175
9.2 Product manufacturing and operating costs	185
9.3 Advertising and marketing	65
9.4 Leased assets	-
9.5 Staff costs	360
9.6 Administration and corporate costs	680
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	1,465

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: 31 July 2017

Print name: Phillip Hains

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.