

Quarter in Review

Corporate:

- AVC completed the acquisition of Highline Alternative Investments Pty Ltd. Approval was sought and received from Shareholders at the General Meeting held on 5 March 2018. Details in respect of the acquisition are provided in Section 10 of the accompanying Appendix 4C;
- On the 21st of March 2018, The Company changed its name to Auctus Alternative Investments Ltd and commenced trading on the code AVC;
- Campbell McComb was appointed Managing Director on 7 March 2018.

Performance Highlights:

- Receipts from customers for the period were \$2.4 million up from \$1.58 million in the December quarter;
- Cash from operations improved from a net outflow of \$675k in December quarter to \$365k in the current quarter (this includes one off payments amounting to approximately \$50k);
- Gophr (UK) achieved its best quarter to date;
- Prism (UK) has commenced 2018 on a stronger note than 2017;
- Boppl continues to drive increases in client sign ups, application downloads and total orders on the platform.

Funding:

- The Company completed \$1.5m Capital Raising to domestic and offshore family offices, high net worth and sophisticated investors pursuant to Section 708A of the Corporations Act 2001;
- AVC retains Placement Capacity of approximately 33.8 million shares under Listing Rule 7.1;
- The Company has approximately \$1 million in a related Investment Fund.

For all shareholder enquiries please contact: enquiries@auctusinvest.com or alternatively call Company Secretary, Christopher Shearer on +61 418 580 807.

On behalf of the board:

Christopher Shearer
Company Secretary

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

AUCTUS ALTERNATIVE INVESTMENTS LIMITED (ASX:AVC) Formerly *Yonder & Beyond Group Limited (ASX:YNB)*

ABN

76 149 278 759

Quarter ended (Current quarter)

31 March 2018

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	2,399	5,911
1.2 Payments for:	-	-
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,341)	(3,798)
(c) advertising and marketing	(64)	(206)
(d) leased assets	-	-
(e) staff costs	(744)	(1,975)
(f) administration and corporate costs	(608)	(1,670)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	(9)	(14)
1.6 Income taxes (paid) / refunded	1	(3)
1.7 Government grants and tax incentives	-	337
1.8 Other (provide details if material):	-	-
1.9 Net cash from / (used in) operating activities	(365)	(1,416)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(14)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	(2)	(159)
(e) other non-current assets	(531)	(931)
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	(533)	(1,104)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 Months) \$A'000
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,190	2,512
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	(37)	(103)
3.5 Proceeds from borrowings	-	328
3.6 Repayment of borrowings	(239)	(239)
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	914	2,498
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	205	237
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(365)	(1,416)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(533)	(1,104)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	914	2,499
4.5 Effect of movement in exchange rates on cash held	4	9
4.6 Cash and cash equivalents at end of quarter	225	225

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	225	205
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)	225	205

Not included above is an investment in Lancing Liquid Fund amounting to approximately \$700k USD. This Fund holds cash and has a monthly redemption facility. In addition, \$330,000 of shares were issued in the March quarter, for which cash has been / is due to be received in April and May.

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	145
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	

Directors fees and salaries including payment of invoices and amounts due from prior periods

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

Add notes as necessary for an understanding of the position

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
638	165

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.

- a. Prism Digital has an invoice financing facility of £350,000 with Lloyds Bank which was implemented in the December quarter. Under this arrangement, Lloyds advances 90% of the face value of contractor invoices and 70% of the face value of permanent placement invoices. An interest rate of 2% above base rate of the Bank of England plus a service fee of 0.4% is charged for this service.

9. Estimated cash outflows for next quarter

9.1 Research and development

9.2 Product manufacturing and operating costs

9.3 Advertising and marketing

9.4 Leased assets

9.5 Staff costs

9.6 Administration and corporate costs

9.7 Other (provide details if material)

9.8 **Total estimated cash outflows⁽¹⁾**

\$A'000
-
(1,000)
(60)
-
(450)
(200)
-
(1,710)

⁽¹⁾ **Notes**

Cash outflows do not include expected cash inflows from forecast sales revenue of approximately \$1.75m

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	High Line Alternative Investments Pty Ltd	-
10.2 Place of incorporation or registration	Australia	-
10.3 Consideration for acquisition or disposal	7,500,000 Shares at \$0.04 being \$300,000 22,500,000 Milestone Shares – refer note below	-
10.4 Total net assets / (deficiency)	(1,385)	-
10.5 Nature of business	Investments	-

As at the date of this report 22,500,000 Milestone Shares remain outstanding in respect of the acquisition of High Line Alternative Investments Pty Ltd. The Company obtained waivers from the ASX under Listing Rule 7.3.2 to issue these Milestone Shares upon satisfaction of Milestone Targets. These are detailed as follows:

- 7,500,000 ordinary fully paid shares to be issued if funds held in managed investment trusts or similar entities which are managed by the YNB group or held funds in respect of which the YNB Group acts as investment advisor (Funds Under Management or Advice) exceeds \$10 million on or before 31 December 2018 (**Milestone 1 Shares**).
- 7,500,000 ordinary fully paid shares to be issued if Funds Under Management or Advice exceed \$17.5 million on or before 30 June 2019 (**Milestone 2 Shares**).
- 7,500,000 ordinary fully paid shares to be issued if Funds Under Management or Advice exceed \$25 million on or before 31 December 2019 (**Milestone 3 Shares**).

Each of the tranches of shares referred to above, will be subject to voluntary escrow for a period of 12 months from their respective issue dates.

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.

Signed: _____ Dated: Monday, 30 April 2018

Company Secretary

Print name: Chris Shearer

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.