

31 January 2019

Quarter in Review – December 2018 Appendix 4C

Auctus Alternative Investments Limited ('AVC', 'Auctus' or 'the Company') provides the following update in relation to the activities for the December 2018 quarter.

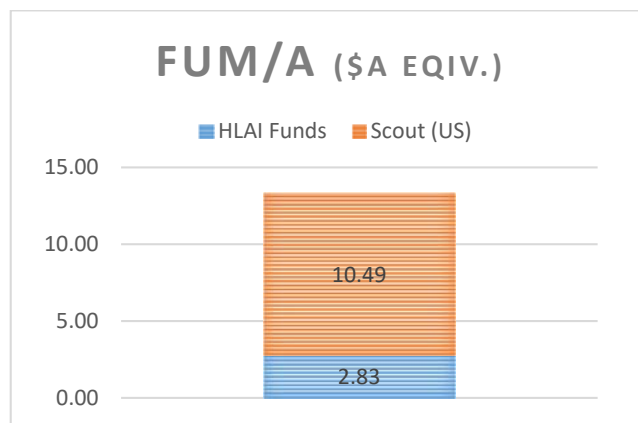
On 12 December 2018 the Company announced that it is undertaking a two tranche capital raise (**Placement**), comprised of the following:

- **Tranche 1:** The issue of up to 2m shares at \$0.46 (46 cents per share) raising \$920,000 with the shares allotted during December 2018 and January 2019. Approximately \$360,000 of the total amount raised was received in January 2019 and those proceed will be recognised in the March 2019 Appendix 4C.
- **Tranche 2:** The Company announced that it has received a binding commitment from a significant investor in Asia, following the Company's recent roadshow. The commitment is for the issue of 2.5m shares at an issue price of \$0.651 (65.1 cents) per share. The shares the subject of Tranche 2 are not proposed to be issued until late February 2019 and, as a result, the investor has agreed to an increased issue price.

The majority of both cash receipts and expenses in the 4C continued to be derived from Gophr – see summary below.

High Line

Funds under management and advice in High Line grew strongly in the December quarter, following solid performance in existing Funds and the settlement of the Scout acquisition (see below). Whilst still in the very early stages, it is pleasing to see positive movements in FUM/A (Funds Under Management/Advice).



It is the Company's intention to disclose these figures to market on a quarterly basis from here on.

Gophr

Gophr sales continued their upward trajectory in the December quarter (+27% over Sept Qtr. to A\$1.71m), driven by some major customer wins in the UK.

Over the last 12 months Gophr has had a significant uplift in monthly revenue, growing from approximately £200,000 in January of 2018 to approximately £380,000 in December 2018 (+90%).

As previously announced, Gophr is in discussions to bring in external capital to help finance the business through its next phase of growth. These discussions have progressed.

Beyond Media (BM) / Boppl

Revenue (growth) from both Beyond Media and Boppl has been disappointing.

The agreement between Lenovo and Beyond Media will come to a mutually agreed conclusion in early February.

Auctus is currently reviewing its investment in both businesses.

On behalf of the board:

Campbell McComb
Managing Director

For all shareholder enquiries please contact:

enquiries@auctusinvest.com

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 December 2018

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 Months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,783	3,219
1.2 Payments for:	-	-
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,372)	(2,542)
(c) advertising and marketing	(183)	(215)
(d) leased assets	-	-
(e) staff costs	(570)	(1,235)
(f) administration and corporate costs	(498)	(1,028)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	7
1.5 Interest and other costs of finance paid	(51)	(52)
1.6 Income taxes (paid) / refunded	-	11
1.7 Government grants and tax incentives	162	162
1.8 Other (provide details if material): Legal settlement	(100)	(100)
1.9 Net cash from / (used in) operating activities	(829)	(1,773)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(1)
(b) businesses (see item 10)	-	-
(c) investments	(322)	(665)
(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	(322)	(666)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 Months) \$A'000
3. Cash flows from financing activities			
3.1 Proceeds from issues of shares		857	2,436
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		(10)	(110)
3.5 Proceeds from borrowings		9	9
3.6 Repayment of borrowings		-	(33)
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		856	2,302
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		436	282
4.2 Net cash from / (used in) operating activities (item 1.9 above)		(829)	(1,773)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		(322)	(666)
4.4 Net cash from / (used in) financing activities (item 3.10 above)		856	2,302
4.5 Effect of movement in exchange rates on cash held		4	-
4.6 Cash and cash equivalents at end of quarter		145	145
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		145	436
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)		145	436
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		267	
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		322	
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			
Included in item 7.1 above is the amount for the initial US\$250,000 payment for the Company's investment in Scout Fund III GP (Scout) in line with announcement made on 14 August 2018. Scout Fund III GP is an investment management fund managed by Mr Brad Harrison, a non-executive director of the company. Mr Harrison's appointment as a Director of the Company was made in conjunction with the investment in Scout, also as announced on 14 August 2018.			

8. Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
Add notes as necessary for an understanding of the position		
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.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(1,400)
9.3 Advertising and marketing	(200)
9.4 Leased assets	-
9.5 Staff costs	(800)
9.6 Administration and corporate costs	(550)
9.7 Other (provide details if material): additional investment in Scout	(340)
9.8 Total estimated cash outflows	(3,290)

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 / (deficiency)	-	-
10.5 Nature of business	-	-

Acquisition of High Line Alternative Investments Pty Ltd

The Company completed the acquisition of High Line Alternative Investments Pty Ltd during the previous financial year. As at the date of this report 1,500,000 Milestone Shares (post share consolidation) remain to be issued 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.

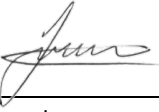
These are detailed as follows:

- 750,000 ordinary fully paid shares (post share consolidation) 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). These shares were issued during the December 2018 quarter.
- 750,000 ordinary fully paid shares (post share consolidation) to be issued if Funds Under Management or Advice exceed \$17.5 million on or before 30 June 2019 (Milestone 2 Shares). These shares have not yet been issued.
- 750,000 ordinary fully paid shares (post share consolidation) to be issued if Funds Under Management or Advice exceed \$25 million on or before 31 December 2019 (Milestone 3 Shares). These shares have not yet been issued.

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: Thursday, 31 January 2019

Company Secretary
Print name: Justin Mouchacca

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.