

## 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**

Respiri Limited (ASX: RSH)

**ABN**

98 009 234 173

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

31 December 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (.....months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(799)	(1,635)
(b) product manufacturing and operating costs	(156)	(266)
(c) advertising and marketing	(50)	(98)
(d) leased assets	-	-
(e) staff costs	(213)	(386)
(f) administration and corporate costs	(389)	(832)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	34	33
1.7 Government grants and tax incentives	1,026	1,026
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(546)</b>	<b>(2,155)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(3)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
	(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	<b>Net cash from / (used in) investing activities</b>	<b>(3)</b>	<b>(3)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	2,750	2,750
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	(9)	(9)
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	<b>Net cash from / (used in) financing activities</b>	<b>2,742</b>	<b>2,742</b>

<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	805	2,419
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,193	584
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(3)	(8)
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>2,995</b>	<b>2,995</b>

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	2,995	805
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,995</b>	<b>805</b>

**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  
\$A'000**

166

-

Fees of Executive Director and Non-Executive Directors (excluding GST)

**7. Payments to related entities of the entity and their associates**

- 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

**Current quarter  
\$A'000**

-

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N/A

**8. Financing facilities available**

*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.

N/A

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

**9. Estimated cash outflows for next quarter**

**\$A'000**

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

**9.8 Total estimated cash outflows**

1,181

76

316

-

223

275

**2,071**

**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

-

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### 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:  .....  
(Chief Executive Officer & Director)

Date: 31 January 2019

Print name: MR MARIO GATTINO  
.....

### 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.

### Financial Commentary

During the quarter, the Company successfully completed a \$3.2m capital raising and received \$2.75m cash in the quarter. The balance of the capital raising is a part of the strategic partnership with key development partners as previously announced and will impact the Company in future quarters. The company also received the 2018 R&D Tax Incentive of \$1.026m which further strengthens the cash position at the end of the Dec 18 quarter.

The R&D phase of the development for wheezo is expected to wind down by the end of the next quarter as increased outflows are forecasted for the next few months for further acceleration and finalisation of the remaining R&D activities in anticipation of regulatory approval and product launch. The previously announced Clinical Studies under Professor Bruce Thompson's leadership supporting our market launch promotional claims will be a focus of our activity and funding next quarter.

Lower than forecast spend in product manufacturing, advertising, and marketing activities reflects updated phasing and timing of these activities as launch planning is continuously refined. The Company expects these activities to ramp up in the coming months as the commercialisation phase gradually supersedes the R&D phase.

Staff costs and other corporate & admin costs were managed during the quarter and in line with expectations. These costs will continue to be managed and controlled closely by the Company.

As outlined in the Company's announcement dated 21 December 2018, a Share Purchase Plan (SPP) has been issued to existing shareholders to raise further capital. The SPP offer is scheduled to close at 5pm on 31 January 2019. The Company is pleased with shareholder's response, and we expect to achieve the \$1m target objective. An official announcement with further details will be released once the SPP closes.

Mario Gattino, Chief Executive Officer and Director