



19 July 2019

ASX RELEASE

ALCHEMIA LIMITED QUARTERLY REPORT – 30 JUNE 2019

Corporate Activities for the June 2019 Quarter

During the quarter Alchemia Limited (**Alchemia** or **Company**) entered into a share sale agreement pursuant to which it has conditionally agreed to acquire 100% of the issued capital of Australian Primary Hemp Pty Ltd (**APH**) (**Proposed Acquisition**).

APH is one of Australia's leading hemp producers with a demonstrated execution capability and diversified business operations across the value chain, owning quality production assets in Victoria.

A general meeting of Alchemia's shareholders will be convened over the coming months to consider and approve the Proposed Acquisition and other associated business.

Further details regarding the Proposed Acquisition and can be found in the Company's ASX announcement dated 21 June 2019.

Resignation of Joint Company Secretary

The Company wishes to advise that Michael Sapountzis has resigned from his role at Leydin Freyer, Alchemia's company secretarial provider and in turn his role as Joint Company Secretary of Alchemia effective today, in order pursue another career opportunity.

The Board acknowledges and appreciates the valuable contribution that Michael has made during his tenure and wishes him all the best in his new role.

Melanie Leydin remains in the role as sole Company Secretary.

There have been no other matters or circumstances that have arisen during the quarter.

Corporate Details

Cameron Petricevic	Non-Executive Chairman
Melanie Leydin	Non-Executive Director and Company Secretary
Lynden Polonsky	Non-Executive Director

For further information, please contact:

Cameron Petricevic
Chairman
Ph: +61 3 9692 7222

Alchemia Limited, Level 4, 100 Albert Road
South Melbourne 3205 Ph: 03 9692 7222

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

ALCHEMIA LIMITED

ABN

43 071 666 334

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(60)	(198)
(f) administration and corporate costs	(112)	(220)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives (R&D incentives)	-	-
1.8 Other (provide details is material)	-	-
1.9 Net cash from / (used in) operating activities	(171)	(412)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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*	(600)	(600)
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(600)	(600)

*The above amount relates to a secured loan facility agreement entered into by the Company as outlined in the ASX announcement dated 21 June 2019.

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	-	-
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	-	-

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	1,380	1,621
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(171)	(412)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(600)	(600)
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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	609	609

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	609	1,380
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)	609	1,380

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	(59)
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' and other service fees paid during the June 2019 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	

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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.		
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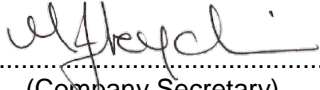
9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	(60)
9.6 Administration and corporate costs	(73)
9.7 Other**	(227)
9.8 Total estimated cash outflows	(360)

**The above estimated cash outflows relate to the anticipated costs and activities associated with the Company's ASX announcement dated 21 June 2019.

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:  Date: 19 July 2019
(Company Secretary)

Print name: Melanie Leydin

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.