



Release Date: 20 July 2022

Powerhouse Ventures Limited ("PVL" or the "Company")

QUARTERLY UPDATE ON ACTIVITIES FOR THE 3 MONTH PERIOD ENDED 30 June 2022

HIGHLIGHTS:

- Operational cash requirements reduced significantly to NZD43k compared to NZD299 for the corresponding period last year.
- Over \$2m NZD invested across four truly innovative companies seeking to solve global problems with highly prospective IP moats.
- Strategic direction and flexibility assured by PVL Board acting ahead of the market downturn to secure cash for investment firepower whilst finishing the quarter with unaudited cash reserves of NZD4.45m (AUD4.02m).

The Board of Powerhouse Ventures Limited (**PVL or the Company**) presents the following update on activities for the 3 month period ending 30 June 2022 (**the Quarter**). Also included in this report are details of subsequent events that have occurred up to the date of this release.

BOARD STRATEGY:

Referencing the Board Strategy articulated in the March Quarter update, the Board has executed on the first 2 of its three-pillar strategy, namely:

1. Reduce operational cash requirements
2. Prudent Investments
3. Expand Horizons

The Quarterly Cashflow Report (Appendix 4C) reflects the reduced cash requirements.

With respect to the investment activity undertaken in the last quarter and cross-referencing to the strategic areas of focus we have identified as next frontier technologies (namely, (1) Electrification & Decarbonisation; (2) Next Generation Computing (3) Space Technologies (4) Health Technologies), we are pleased to outline our June Quarter prudent investment activity as follows:

Company (PVL investment size)	Next Frontier	Global Problem	Innovation
Neuroflex (CAD 225,000) ¹	Health Technologies	Contact sports are confronting concussion and mild traumatic brain injuries as significant health, legal and financial risks.	NeuroFlex® delivers real-time brain health assessments using VR technology and its proprietary algorithms assessing a number of vestibulo-ocular reflexes.
Urbix (USD500,000) ²	Electrification & Decarbonisation	Lithium-ion Battery Anode supply chain for Electric Vehicles is concentrated in China utilising a low yield, high environmental footprint processes with Hydrofluoric acid, high power and wasteful attrition milling	Urbix's product is coated spherical graphite with both a better environmental footprint and electro-chemical performance versus current natural graphite products and can be readily blended with synthetic graphite and silicon enhancement
Quantum Brilliance (AUD500,000) ³	Next Generation Computing	Hardware development for quantum computers is to build cryogenic machines which can only be operated in select few locations as mainframe computing in High Performance Computing Centres.	Using synthetic diamond, their quantum processor is designed to operate at room temperature and is miniaturisable leading to capabilities in co-processing of computational tasks with classical computer units.
Cirrus Materials (NZD 400,000) ⁴	Electrification & Decarbonisation	Sub-optimal corrosion resistance of light metal alloy components and industrial assets. Consumer electronics have expensive inputs	Cirrus' nanoparticle technology when applied to surface finishings and coatings can significantly improve material performance while also reducing energy consumption, pollution, and time in the manufacturing process.

1. [See the release dated 13/04/2022](#)

2. [See the release dated 4/05/2022](#)

3. [See the release dated 5/05/2022](#)

4. [See the release dated 10/06/2022](#)



With respect to the third pillar of the strategy (Expand Horizons), the Company has commenced discussions around strategic alliances with a number of high-profile organisations to scope and potentially launch jointly a funds management strategy, leveraging the PVL capability in Next Frontier Technologies. With this Quarter's activities being a demonstration of PVL's strategy and execution capability, the PVL Board can now look forward to progressing those discussions. While the market downturn has elongated all corporate activity, the PVL Board reiterates its position (as stated in the March Quarter update) that innovative companies solving global problems represent strong financial opportunity with their ability to generate free cash flows from a protected and long-term IP moat.

The PVL Board is hopeful that these discussions culminate in an expansion of PVL's horizons, in particular the ability to raise investment capital off balance sheet via fee-generating fund structures.

If there are any questions regarding this Quarterly report, shareholders are welcome to contact the Company.

James Kruger
Executive Chairman

ENDS

Authorised by the Board of Powerhouse Ventures Limited



Forward Looking Statements:

All statements other than statements of historical fact including, without limitation, statements regarding projections, future plans and objectives of PVL, are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'anticipate', 'believe', 'could', 'estimate', 'expect', 'future', 'intend', 'may', 'opportunity', 'plan', 'in principle', 'potential', 'project', 'seek', 'will' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions and assumptions regarding future events. Such forward-looking statements are not guarantees of future performance. They involve risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors and Management of PVL that could cause PVL's actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by these forward-looking statements will actually occur and investors are cautioned not to place any reliance on these forward-looking statements. PVL does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained above, except where required by applicable law and securities exchange listing requirements.

About Powerhouse Ventures Limited:

Powerhouse is an investment company seeking to advance emerging intellectual property (principally originating from Australian scientists, engineers and institutions) into globally impactful businesses. The focus sectors are Electrification & Decarbonisation, Next Generation Computing, Space technologies, and Healthcare and Wellness.

Powerhouse has an existing active portfolio and strong pipeline of early stage to mature businesses across its focus segments. It has developed a unique network and broad base of skillsets to help its portfolio businesses expand and commercialise.



Powerhouse Ventures Limited
 ASX Code: PVL
 The Exchange Tower, Level 1, 530 Little Collins Street, Melbourne 3000, Australia
 NZ Company number: 1854396
 ARBN: 612 076 169
 Date of release: 20 July 2022

Quarterly Cashflow Report (Appendix 4C)
 Quarter Ended 30 June 2022

Statement of cash flows

1 Cash flows from operating activities	Current quarter \$NZD'000	Year to date \$NZD'000
1.1 Receipts from customers	(0)	4
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	-	(13)
(f) administration and corporate costs	(51)	(691)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	12
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	(43)	(688)

2 Cash flows from investing activities	Current quarter \$NZD'000	Year to date \$NZD'000
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	(2,001)	(3,203)
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	713
(e) intellectual property	-	-
(f) 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	(2,001)	(2,490)

3 Cash flows from financing activities	Current quarter \$NZD'000	Year to date \$NZD'000
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	0	2,810
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	149
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(5)	(143)
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) (i)	-	-
3.10 Net cash from / (used in) financing activities	(5)	2,815

4 Net increase / (decrease) in cash and cash equivalents for the period	Current quarter \$NZD'000	Year to date \$NZD'000
4.1 Cash and cash equivalents at beginning of period	6,500	4,813
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(43)	(688)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(2,001)	(2,490)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(5)	2,815
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	4,451	4,451

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 \$NZD'000	Previous Quarter \$NZD'000
5.1 Bank balances	4,451	6,500
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter	4,451	6,500

6 Payments to related parties of the entity and their associates	Current quarter \$NZD'000
6.1 Aggregated amount of payments to related parties and their associates included in item 1	1
6.2 Aggregated amount of payments to related parties and their associates included in item 2	-

Includes contractor costs paid to Executive and Non-Executive directors or their associates

7 Financing facilities available Note: the term 'facility' includes all forms of financing arrangements available to the entity.	Total facility at quarter end	Amount drawn at quarter end
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end	-	-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8 Estimated cash available for future operating activities	\$NZD'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(43)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	4,451
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	4,451
8.5 Estimated quarters of funding available (Item 8.4 dividend by Item 8.1)	102
8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions: N/A	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? Answer:	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? Answer:	
3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? Answer:	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies that comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 20 July 2022

Authorised by: The Board of Powerhouse Ventures Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the name of board committee – e.g. Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

About Powerhouse Ventures Limited:

Powerhouse is an investment company seeking to advance emerging intellectual property (principally originating from Australian scientists, engineers and institutions) into globally impactful businesses. The focus sectors are Electrification & Decarbonisation, Next Generation Computing, Space Technologies, and Healthcare and Wellness.

Powerhouse has an existing active portfolio and strong pipeline of early stage to mature businesses across its focus segments. It has developed a unique network and broad base of skillsets to help its portfolio businesses expand and commercialise.