

Company Update

31 October 2022

Australian internet of things (IoT) and healthcare technology company, Oakridge International Limited (ASX: OAK) (“Oakridge” or the “Company”) is pleased to provide the following business update alongside its Appendix 4C Quarterly Cash Flow Report for the quarter ended 30 September 2022 (the “Period”).

During the Period, the Company:

- Continued to focus on increasing its healthcare sales activities, the delivery of customer projects and product development to further enhance our existing product offerings.
- Continued to engage industry leaders from government departments and private organisations.
- Received a Research and Development (“R&D”) Tax Incentive Refund of \$131,501 attributable to the R&D activities performed in the financial year ended 30 June 2021.
- Completed the legacy issue of the plugging, abandonment and remediation of the Salamander 1 Geothermal Well and received the surrender of the Geothermal Exploration License GEL223.
- Neared completion of an ‘Assistive Technology’ project for a disability accommodation developer.
- Received formal NDIS (National Disability Insurance Scheme) approval to be recognised as an NDIS provider of ‘Assistive Technology’.
- Completed verification process of a suitable RTLS (Remote Tracking Location System) and finalised a partnership agreement to integrate and distribute the technology throughout Australia.

The Company continues seeking to expand its business and revenue base by exploring other emerging business in the technology sector focusing on renewable energy, energy storage solutions, new energy vehicles and energy saving materials. These activities are at an exploratory stage which may require shareholders and/or regulatory approval but there is no guarantee that the Company will enter any of these sectors. We shall keep the shareholders and the market informed if we decide to pursue any new such business or opportunity, if at all. The IoT and Healthcare sectors remain the focus of the Company.

During the Period, related party payments of \$54,498 relate to Director and Executive Officer fees.

Healthcare Business

JCT Healthcare (“JCT”), a wholly owned subsidiary of the Company, is a provider of innovative technology solutions for the healthcare sector. JCT develops and distributes its own range of nurse call hardware and software solutions for use across multiple healthcare sectors including hospitals, aged care, disability care and supported independent living.

The first quarter of the financial year has followed a similar trajectory to the previous quarter with steady increases in all facets of the Healthcare business. Progress towards completion of several projects, and significant enhancements to the product range featured within the quarter. Ongoing engagement with leading industry organisations yielded positive results with JCT being invited to tender on several projects throughout the country.

JCT neared completion of an 'Assistive Technology' project for a disability accommodation developer. The project is expected to be completed in December and will showcase JCT's technical capabilities in one of the country's most advanced disability accommodation settings.

JCT was pleased to receive formal NDIS (National Disability Insurance Scheme) approval in August and is now recognised as an approved NDIS provider of Assistive Technology. Becoming a registered NDIS provider was an essential and natural step in the company's evolution. JCT's complete product range, which can be purchased using NDIS-approved funding, will be available under the Assistive Technology category within the NDIS framework.

JCT completed its verification process of a suitable RTLS (Remote Tracking Location System) and finalised a partnership agreement to integrate and distribute the technology throughout Australia during the Period. The addition / integration of an integrated RTLS system into JCT's proprietary software will allow customers to track their staff, residents, and assets from a central location. Consideration will be given to the possibilities of distributing this product outside of JCT's traditional client base.

The outlook for the JCT Healthcare business remains robust. Current projects are progressing well, imminent work has been scheduled and significant efforts are being made to secure future work.

Legacy Issues

In the previous Period, the Company completed the legacy issue of the plugging, abandonment and remediation of the Salamander 1 Geothermal Well and the Company applied for the surrender of the Geothermal Exploration License GEL223.

During the Period, the Company received confirmation of a discharge on the bank guarantee to the value of \$100,000 on the public and commercial licence register.

Others

As announced on 2 January 2020, the Company completed a A\$250,000 share placement ("Placement Agreement") with Teko International Limited (Teko). On 28 July 2020, the Company held a discussion with Teko in respect to a potential claim asserted by Teko against the Company for allegedly misrepresenting the Company's unrecorded liabilities, including the Heuresy liability payment previously disclosed, by its then directors. The Board believes that there may be some exposure to the Company in respect to the representations made by the then Board members. If the Company were to be subject to legal action that could be taken by Teko, there could be no assurance as to the outcome or the costs required to defend any such action. The Company will continue to discuss the issue with our legal advisors and negotiate with Teko to seek the most desirable outcome for the Company and its shareholders.

This announcement has been approved by the Board.

Julie Edwards
Company Secretary
Oakridge International Limited

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Oakridge International Limited

ABN

89 122 203 196

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	169	169
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(132)	(132)
(c) advertising and marketing	(4)	(4)
(d) leased assets		
(e) staff costs	(116)	(116)
(f) administration and corporate costs	(399)	(399)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	132	132
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(348)	(348)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(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 - Proceeds from investment in Term Deposits)	100	100
2.6 Net cash from / (used in) investing activities	100	100

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities		
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 period	1,725	1,725
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(348)	(348)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	100	100

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)		
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	1,477	1,477

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	1,477	1,725
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)	1,477	1,725

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	54
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
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	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(348)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,477
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	1,477
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.24
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 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:	
8.6.2 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:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

31 October 2022

Date:

The Board

Authorised by:
 (Name of body or officer authorising release – see note 4)

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 – eg 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.