

## Syntonic March 2021 Quarterly Review and Appendix 4C

**Perth, Western Australia – Syntonic Limited** ("**Syntonic**" or "**Company**") (ASX:SYT), provides its Quarterly Review and Appendix 4C – Quarterly Cash Flow report for the three months ending 31 March 2021.

During the quarter, Syntonic received its ongoing royalty income of \$63,000 from Western Areas Limited. The Company is entitled to a 2% net royalty on revenues attributable to ore processed using the BioHeap™ bacterial leaching technology, following the sale of the BioHeap™ technology business and associated entities to Western Areas Limited in 2009.

On 25 March 2021, the Company received notice that it would be suspended from quotation in accordance with Listing Rule 17.3. Syntonic notes the suspension will continue until it is able to demonstrate compliance with Listing Rule 12.1.

The Company is continuing to review and consider project and business acquisition opportunities, which may not be in the technology sector, whilst reducing operational spend.

### Corporate

On 2 March 2021, the Company announced the cancellation of the following options:

Number	Class
749,462	Unlisted incentive stock options (each convertible into one Share for \$0.03 on or before 28 February 2027)
17,681,186	Unlisted incentive stock options (each convertible into one Share for \$0.009 on or before 14 November 2028)

In addition, the Company advised that 133,333,333 unlisted broker options (each convertible into one Share for \$0.03 on or before 31 December 2020) expired on 31 December 2020.

### Financial Snapshot

The Company's net cashflow used in operations for the quarter was \$1,000. The Company's operational expenses comprised of administration and corporate costs of \$62,000, offset by royalty income of \$63,000.

### Listing Rule 4.7C.3

In item 6 of the attached Appendix 4C, payments to related parties of approximately \$3,000 comprising of Non-Director Services – office rent of \$3,000 was paid during the quarter.

The Company closed the quarter with a cash position of \$289,000.

This announcement has been approved by the Board of Syntonic.

**About Syntonic**

Syntonic Ltd (SYT.ASX) is an Australian listed company currently exploring project and business opportunities.

To learn more about Syntonic, visit [www.syntoniclimited.com](http://www.syntoniclimited.com).

For further enquiries, please contact:

**Tim Slate**

Non-Executive Director and Joint Company Secretary

E: [info@syntoniclimited.com](mailto:info@syntoniclimited.com)

## Appendix 4C

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

**Name of entity**

Syntonic Limited

**ABN**

68 123 867 765

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

31 March 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	264
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	-	(266)
(f) administration and corporate costs	(62)	(680)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
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)	63	143
- Royalties		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>1</b>	<b>(539)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	550
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets	-	-
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 (provide details if material)	-	(40)
	- Subsidiary cash disposed of		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>510</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	202
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>202</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 period	294	226
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1	(539)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	510
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	202
4.5	Effect of movement in exchange rates on cash held	(6)	(110)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>289</b>	<b>289</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	289	294
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>289</b>	<b>294</b>

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	3
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> <p>Director services - \$nil Non director services -\$3,000</p> <p>Non director services consist of office rent paid to Pathways Corporate Pty Ltd, a company associated with Mr Wheeler and Mr Graziano.</p>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	202	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	202	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		
Additional information: Lender – First Orion Corporation. Interest rate – Nil. Maturity date – At call by First Orion Corporation. Secured or unsecured – Unsecured.			
The Company notes First Orion may withhold and/or deduct from the monthly instalments (detailed in the ASX announcement dated 2 November 2020) any amounts owing to First Orion by Syntonic under the share purchase agreement, for a failure by Syntonic to complete the forgiveness process for the loan amount under the Paycheck Protection Program by March 1, 2021 and/or the deduction of an amount of US\$146,000 advanced to Syntonic, if certain receivables are not received by the Syntonic US Companies on or before 31 January 2021.			

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	1
8.2	Cash and cash equivalents at quarter end (item 4.6)	289
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	290
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	290
<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: N/A		
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: N/A		

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: N/A

*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.*

### 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.

Date: .....22 April 2021.....

Authorised by: .....By the Board.....  
(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.