



30 July 2021

## Quarterly Activity Report for the Period Ending 30 June 2021

### June 2021 Quarter Highlights

#### Operational

- Cash receipts for the June 2021 quarter of NZ\$778,161<sup>1</sup> (Approx. AU\$731,471) and over a 220% increase from the March 2021 quarter cash receipts of NZ\$242,000<sup>1</sup> (Approx. AU \$227,480).
- Largest single purchase order of dried ling maw received to date, for a total of NZ\$355,000 (AU\$333,700)<sup>1</sup> from New Zealand based company, Wildfish Export Limited, with the order delivered to the customer in April 2021.
- NZCS also received a purchase order from Wildfish Export Limited, for a minimum of 50 tonnes per annum of dried waste stream products, which will be processed into pet food for the Australasian market.
- NZCS continued to make significant progress on the development and commercialisation of its flagship marine collagen product, with the Toll Processing Agreement for extraction now finalised.
- NZCS have appointed Peter Fletcher as Chief of Sales, following his previous role as Operations Manager from September 2020, bringing significant experience in seafood industry sales having formerly held the role as New Zealand Key Account Sales at Talley's Group.
- NZCS co-founder and major shareholder, Alex Li, was appointed as Operations Manager, to oversee production and quality control.
- Newly appointed Board members continued to deliver strategic value and leverage their networks to open and advance discussions with potential customers globally.
- The Company has realised increased operational efficiencies and capacity with the recently installed purpose-built processing line.
- NZCS continued to build its listings for Overseas Market Access Requirements with the Company now licensed to sell products in Australia, New Zealand, European

<sup>1</sup> 1 NZD = \$0.94 AUD

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Union, United States, Canada, Japan, Korea, Saudi Arabia, Vietnam and Korea, with China pending.

## After Balance Date Events

- **NZCS entered into a Toll Processing Agreement with leading NZ biotech company, Bio-Mer Limited, with Bio-Mer to provide the extraction and processing capability required to produce NZCS's marine collagen product at scale.**

Leading secondary producer of nutraceutical, seafood products and premium marine ingredients **New Zealand Coastal Seafoods Limited (ASX:NZS and NZSOA)** ("NZCS", the "Company") is pleased to provide shareholders and investors with a business and operations update on the Company's activities to accompany the Appendix 4C for the quarter ending 30 June 2021 ("Quarter", "Reporting Period").

**New Zealand Coastal Seafoods CEO, Andrew Peti, commented:** "Over the Reporting Period, the NZCS team has been working diligently to drive sales with the Company realising Cash receipts for the June 2021 quarter of NZ\$778,161 (Approx. AU\$731,471) a 220% increase from the March 2021 quarter cash receipts of NZ\$242,000 (Approx. AU \$227,480).

Although NZCS has continued to be somewhat affected by lockdowns globally, the Company has grown cash receipts significantly from the previous quarter, and received the largest single purchase order of Dried Ling Maw to date, for a total of NZ\$355,000 (AU\$333,700)<sup>2</sup> from New Zealand based company, Wildfish Export Limited ("**Wildfish**").

Wildfish continues to remain an important customer for the Company, with NZCS also receiving a Purchase Order from Wildfish, for a minimum of 50 tonnes per annum of dried waste stream products, which will be processed into pet food for the Australasian market.

Importantly, during the Reporting Period NZCS has made significant progress with the development of the Company's marine collagen product, as the Company now accelerates towards commercialisation with the first purchase orders expected shortly.

NZCS has been forming a business case for specialised extraction equipment to extract additional value from raw seafood products in the form of nutraceutical powders and oil, whilst concurrently building demand for these products. To fast track the commercialisation of the Company's marine

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collagen product and reduce capital expenditure on extraction equipment, as an after balance date event, the Company entered into a Toll Processing Agreement with leading New Zealand biotech company, Bio-Mer Limited, with Bio-Mer to provide the extraction and processing capability required to produce NZCS's marine collagen product at scale.

Both NZCS and Bio-Mer view this agreement as a strategic alliance, as both companies continue to explore further opportunities for collaboration.

During the Reporting Period, NZCS appointed Peter Fletcher as Chief of Sales to manage the Company's local and international sales strategy. Although Peter has thrived in his previous role as NZCS Operations Manager, with his strong international network in the seafood industry, the Company believes that he is best suited to the role of Chief of Sales, as NZCS continues to drive international expansion.

To fill Peter's role, the Company has appointed NZCS co-founder and major shareholder, Alex Li, as Operations Manager. Having been involved in the business since establishment, Alex holds extensive knowledge of NZCS's operations from processing to management and leadership. As a major shareholder of the Company.

In preparation for the next stage of growth, NZCS has progressively increased the countries in which it is licensed to sell its products directly (rather than via a distributor) which now include Australia, New Zealand, the European Union, United States, Canada, Japan, Korea, Saudi Arabia, Vietnam and Korea, with China currently pending.

The Company's newly appointed Board members have continued to deliver value over the reporting period by providing strategic guidance and introducing the Company to their international networks in the seafood industry.

With the custom built processing line now installed and realising improved operational efficiencies, NZCS can now process at a higher capacity, which will be highly valuable in meeting future demand as the Company grows.

With the pending commercialisation of the Company's marine collagen powder, an industry leading Board providing strategic guidance and introductions, further improved operational efficiencies, additional territories in which the Company is licensed to sell, as well as the key appointments in both operations and sales, NZCS is well positioned for its next stage of growth and the Company looks forward to a positive September 2021 quarter.

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## Operational Update

### June 2021 Quarter Cash Receipts

During the June 2021 Quarter, the Company achieved cash of NZ\$778,161 (Approx. AU \$731,471)<sup>3</sup> a 220% increase from the March 2021 quarter cash receipts of NZ\$242,000 (Approx. AU \$227,480)<sup>3</sup>.

Although cash receipts for the Reporting Period increased significantly from the previous quarter, NZCS continued to be impacted by lockdowns across Europe and Asia. Once lockdowns progressively ease, the Company forecasts further growth in cash receipts.

### Largest Single Order of Dried Ling Maw to Date

On 1 April 2021, the Company announced that it had received the largest single purchase order of dried ling maw to date, for a total of NZ\$355,000 (AU\$333,700)<sup>3</sup> from New Zealand based company, Wildfish, with the order delivered to the customer in April 2021.

Wildfish is a New Zealand company based on the Wellington South Coast, which is focused on the supply of premium quality seafood from the clean cool waters which form New Zealand's Exclusive Economic Zone, under its world renowned sustainable quota management system. Wildfish continues to be a high value customer for NZCS, and has been an NZCS customer for over 2 years.

The purchase order aligns with NZCS's growth strategy of increasing sales of existing products through expanded production capacity and increased ability to access raw seafood supply.

### Toll Processing Agreement for Pet Food

During the Quarter, NZCS also entered a Processing Agreement with Wildfish, for a minimum of 50 tonnes per annum of dried waste stream products. Under the Processing Agreement, NZCS will process seafood waste stream products provided by Wildfish into pet food, which will subsequently be sold into the Australasian market.

Initially, NZCS will process fired rig (gummie fish) bones, with discussions continuing regarding the processing of alternate waste streams, including dried whole green shell mussels, dried fish and fish skins.

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## Marine Collagen Product

NZCS continued to make significant progress on the development and commercialisation of its marine collagen product containing significant levels of collagen.

Although occurring as an after balance date event, on 22 July 2021 NZCS announced that the Company had entered into a Toll Processing Agreement with leading NZ biotech company, Bio-Mer Limited, with Bio-Mer to provide the extraction and processing capability required to produce NZCS's marine collagen product at scale.

The product is produced with a proprietary processing and extraction technique which uses the ling bladder containing very high levels of collagen, making it significantly more potent than other marine collagen products traditionally produced from fish skin collagen.

The product is anticipated to be Marine Stewardship Council (MSC) certified due to the ling being sourced from New Zealand's wild caught and actively managed ling fisheries, with a sustainable harvest and environmental species management measures in place.

The product is likely to command a premium price point in the market in both developed natural and hydrolysed powdered formats.

MSC is an international organisation dedicated to safeguarding seafood supply both immediately and in the future, which strongly aligns with the Company's practices of sustainability and environmental protection.

The marine collagen product has been under development for 12 months, with strong demand indicated from new and existing customers, both in Australia and New Zealand.

The product can be used in both cosmetic products and orally consumed collagen dietary products, with indications that collagen supplementation may support skin, nail, joint and muscle health.

The collagen market is a high value and high growth market presenting a significant opportunity for NZCS. The collagen market is expected to grow at a CAGR of 6.9% to reach US \$7.5 billion by 2027, while in terms of volume, the market is expected to grow at a CAGR of 5.1%<sup>4</sup> reach 683.8 KT by 2027<sup>4</sup>.

The development of the marine collagen product aligns with the Company's strategy of improving profit margins by extending NZCS's range of products.

<https://www.globenewswire.com/news-release/2020/12/04/2139933/0/en/Collagen-Market-by-Product-Source-and-Application-Global-Forecasts-to-2027.html>

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## **Appointment of Chief of Sales**

During the Reporting Period, the Company appointed Peter Fletcher as Chief of Sales. He previously held the role of NZCS Operations Manager from September 2020, contributing significant value in managing and streamlining operations and processing.

Having formerly held the role as New Zealand Key Account Sales at Talley's Group, the Company believes that Mr Fletcher will thrive in the new sales role, leveraging his strong international network of distributors, wholesalers and other contacts.

Mr Fletcher holds extensive experience in the seafood industry and has held previous roles including the General Manager of Operations at Bidfood, a leading New Zealand wholesale food distributor providing the foodservice and hospitality industry with a complete range of food and non-food products, distributing over 20,000 products to more 15,000 customers. As stated, he has also held the role of New Zealand Key Account Sales at Talley's Group, an international company founded in 1936 providing sales and distribution services for seafood and other food products.

## **Appointment of Operations Manager**

During the Quarter, the Company appointed NZCS co-founder and major shareholder, Alex Li, as Operations Manager to oversee production and quality control.

As a co-founder of NZCS, Mr Li has extensive knowledge of the Company's operations and processes, with a background in maw production and nutraceutical manufacturing.

## **Newly Appointed Board Members Continue to Deliver Value**

During the Reporting Period, the newly appointed Board members continued to liaise with senior management and deliver strategic value, utilising their international networks to open and advance discussions with several potential customers globally.

## **Purpose Built Processing Line**

As announced in the March 2021 quarterly, NZCS completed the installation of a purpose built processing line, which has the ability to increase raw product processing capacity and since installation, the processing line has continued to improve operational efficiencies and provides staff with a more ergonomic work environment.

NZCS had been planning the processing line for over 12 months, and the equipment has been ergonomically designed and built for NZCS's specific requirements with an emphasis on staff safety and wellbeing as well as improving production throughput volumes.

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The Company continues to seek opportunities to improve the efficiency and capacity of its processing and production facility as NZCS enters the next stage of growth.

The upgraded purpose built processing line aligns with the Company's growth strategy of increasing sales of existing products through expanded production capacity.

## International Sales Territories

NZCS continued to build its listings with the Company now meeting the regulatory Overseas Market Access Requirements (OMARs) to sell products in Australia, New Zealand, the European Union, United States, Canada, Japan, Korea, Saudi Arabia, Vietnam and Korea, with China pending.

OMARs outline destination country requirements that a Company is required to meet when exporting. These requirements have been agreed between the New Zealand government and governments of export destinations, with the purpose of facilitating access to overseas markets for New Zealand exporters.

Meeting regulatory requirements to directly sell in these international territories may result in increased revenues for the Company and aligns with NZCS's growth strategy of entering expanding sales capacity by entering new markets and expanding distribution channels.

## After Balance Date Events

### Marine Collagen Product Update – Toll Processing Agreement

On 22 July 2021, the Company announced that it had entered a Toll Processing agreement with leading NZ biotech company, Bio-Mer Limited ("Bio-Mer"), with Bio-Mer to provide the extraction capability and processing required to produce NZCS's marine collagen product at scale ("Agreement").

As previously announced, the Company has been building a business case for specialised manufacturing equipment, whilst concurrently building strong demand for output products. With access to high quality extraction equipment forming a critical step in the commercialisation process, the Agreement will significantly reduce the capital expenditure required to produce marine collagen powder and other powdered nutraceutical products at scale, with market entry into the marine collagen market being expedited.

The alliance, in addition to the Agreement for collagen extraction, will allow the Company to extract additional value from other marine products, including the valuable EU compliant mussel oil. Further under the alliance, the parties will work together in co-marketing products including

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Bio-Mer's premium anti-inflammatory & nootropic / cognitive function enhancement product "Tripernol Plus" to the consumer market.

Bio-Mer is a privately owned New Zealand biotechnology company, with raw ingredients used in nutritional supplements sourced from within New Zealand, or the pristine waters surrounding New Zealand. Bio-Mer works within strict manufacturing standards, with all methods of extraction and purification of nutraceutical ingredients being undertaken within guidelines set by New Zealand's Ministry of Primary Industries.

## Performance Securities and Remuneration

Following the completion of the Reporting Period, NZCS has issued 2,000,000 Class C Performance Rights to its Chief Executive Officer, Andrew Peti, along with 1,650,000 NZSOPT5 Options and 3,350,000 NZSOPT6 Options to Company's Chief of Sales, Peter Fletcher. The Company is focussed on growing shareholder value and believes the alignment of management to shareholders, is a valuable way of achieving that growth.

Additionally, the Company notes there has been changes made to CEO, Andrew Peti's remuneration, which are set out below at Annexure A.

## Appendix 4C – Listing Rule 4.7C Disclosure

Further to the Appendix 4C Cash Flow Statement which is attached to this announcement, the Company is pleased to provide the following supplementary information pursuant to Listing Rule 4.7C.

### Use of Funds

The following table sets out the Company's actual cash expenditure for the period from 5 August 2019 (being the date of re-admission) to 30 June 2021, against the proposed use of funds as set out in the Prospectus dated 24 May 2019.

Description of use of funds	Funds allocated under prospectus	Actual funds expended from 5 August 2019 to 30 June 2021
Sales staff and marketing expenditure	1,000	1,550
Operational costs (including staff and raw material inputs)	975	4,851
Manufacturing facilities and capital expenditure	1,100	2,166
Listing, compliance and corporate costs	635	2,453
Expenses of the offer (s)	786	1,356

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Other working capital	504	64
	5,000	12,440

Notes:

<sup>1</sup> The above table shows cash outflows only and does not contemplate the impact of cash inflows from sales and other income. Cash inflows over the period have been \$4,174,000 in receipts from customers and \$120,000 in government grants. Cash inflow also includes funds from capital raisings throughout the period of a total of \$5,893,500 before costs.

**Variations to Use of Funds in Prospectus**

- The actual cash spent on operational costs, capex, and ongoing corporate and compliance costs include costs that are funded from cash raised in the RTO as well as cash inflows from sales and other capital raisings. The latter of which is not contemplated in the Use of Funds disclosures in the Prospectus.
- The actual expenditure on expenses to the offers include the costs of all the capital raising offers completed since re-admission, whereas the Prospectus contemplated only the offer being made under that prospectus alone.

Operational payments made during the Reporting Period;

1. Product manufacturing and operational costs (\$601,000)
2. Advertising and marketing (\$143,000)
3. Lease payments and interest (\$11,000)
4. Staff costs (\$277,000)
5. Admin and corporate costs (\$169,000)

Other payments made during the Reporting Period;

1. Property plant and equipment (\$2,000)

Payments to related parties and their associates as detailed in Section 6 of the Appendix 4C are Payments for;

1. Executive director fees (\$35,415);
2. Other executive fees (\$95,699);
3. Non-executive director fees (\$64,100); and
4. Corporate services, accounting and company secretarial fees (\$23,381).

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## Authority

This announcement has been authorised for release by the Board of New Zealand Coastal Seafoods Limited.

## Further information:

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## About New Zealand Coastal Seafoods

New Zealand Coastal Seafoods (NZCS) is a New Zealand based, ASX listed, secondary producer of nutraceutical, seafood products and premium marine ingredients. The Company recently acquired Kiwi Dreams International Limited (KDI), a leading developer of innovative nutraceutical products and services including ingredient supply, quality and validation, as well as formulation and development.

Through the development of Nutraceutical projects, NZCS has recognised significant opportunities in this high growth market, with the global Nutraceutical market estimated at US \$230.9 billion in 2018.<sup>5</sup>

Harnessing the countries reputation for pure, pristine waters and fisheries provenance, NZCS utilise raw ingredients sourced from New Zealand's finest deep sea fishing companies, employing a nose-to-tail philosophy to create a range of high-value products.

<sup>5</sup> <https://www.bccresearch.com/market-research/food-and-beverage/nutraceuticals-global-markets.html>

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# ASX Announcement

NEW ZEALAND  
COASTAL SEAFOODS



The Company's mission is to share the sought-after flavours of sustainably-sourced, nutritious, healthy and organic goodness of New Zealand's seafood with Asian consumers, through expanding distributor, wholesale and consumer channels.

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## ANNEXURE A

### Summary of Key Terms of Chief Executive Officer's Remuneration (Mr Andrew Peti)

Term	Mr Peti's appointment as Chief Executive Officer will continue until it is terminated in accordance with the terms of the Employment Agreement.
Services	Mr Peti has been engaged to provide those services usually required of a Chief Executive Officer of a Company of the nature and scale of New Zealand Coastal Seafoods Limited.
Remuneration	Mr Peti is entitled to a base salary of NZ\$180,000 per annum.
Bonus	<p>Mr Peti will receive a one-off performance-based bonus of NZ\$50,000, upon the Company's operating subsidiary, NZCS Operations Limited, returning a positive monthly operational cashflow for three consecutive calendar months before 30 June 2022.</p> <p>Mr Peti has been awarded two million Performance Rights with the performance milestone being a profitable 2022 financial year for the Company's operating subsidiary.</p>

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## Appendix 4C

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

**Name of entity**

New Zealand Coastal Seafoods Limited

**ABN**

16 124 251 396

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

30 June 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	724	2,537
1.2 Payments for		
(a) research and development	(5)	(5)
(b) product manufacturing and operating costs	(601)	(2,700)
(c) advertising and marketing	(143)	(562)
(d) leased assets	(11)	(45)
(e) staff costs	(277)	(1,059)
(f) administration and corporate costs	(169)	(1,029)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	0	2
1.5 Interest and other costs of finance paid	(2)	(5)
1.6 Income taxes paid	0	(3)
1.7 Government grants and tax incentives	0	25
1.8 Other	0	0
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(484)</b>	<b>(2,844)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	(2)	(164)
(d) investments	0	0
(e) intellectual property	0	0
(f) other non-current assets	0	0

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	0	0
(d) investments	0	0
(e) intellectual property	0	0
(f) other non-current assets	0	0
2.3 Cash flows from loans to other entities	0	0
2.4 Dividends received (see note 3)	0	0
2.5 Other (provide details if material)	0	0
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(2)</b>	<b>(164)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	0	4,075
3.2 Proceeds from issue of convertible debt securities	0	0
3.3 Proceeds from exercise of options	0	46
3.4 Transaction costs related to issues of equity securities or convertible debt securities	0	(294)
3.5 Proceeds from borrowings	0	0
3.6 Repayment of borrowings	0	0
3.7 Transaction costs related to loans and borrowings	0	0
3.8 Dividends paid	0	0
3.9 Other (provide details if material)	0	0
<b>3.10 Net cash from / (used in) financing activities</b>	<b>0</b>	<b>3,827</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	3,228	1,930
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(484)	(2,844)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(2)	(164)



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0	3,827
4.5	Effect of movement in exchange rates on cash held	6	(1)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,748</b>	<b>2,748</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,748	3,228
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,748</b>	<b>3,228</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	218
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Payments at section 6 relate to executive director fees (\$35,000), other executive fees (\$96,000), non-executive director fees (\$64,000) and corporate services, accounting and company secretarial fees (\$23,000).

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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	0	0
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	0	0
7.4 <b>Total financing facilities</b>	0	0
7.5 <b>Unused financing facilities available at quarter end</b>		0
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(484)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,748
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	2,748
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	5.67
<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.

Date: 30 July 2021

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Authorised by: The Board of Directors

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(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.