



31 October 2021

Companies Announcements Office
ASX Limited
10th Floor, 20 Bridge Street
SYDNEY NSW 2000

SEPTEMBER 2021 QUARTER (“QUARTER”) OPERATIONS REPORT

Significant activities in the Company’s and its investees’ activities during the September 2021 quarter were as follows:

Advent Energy (“Advent”)

Letters of Intent were issued by Advent for the upcoming Seablue-1 exploration well:

- DQ Holdings Pty Ltd for the provision of subsea wellhead equipment, materials and associated services;
- Aztech Well Construction Services Pty Ltd for the provision of Drilling Project Management services; and
- Oil States Industries (Asia) Pte Ltd for the provision of Conductor and Surface Casing & associated services

The well is planned to be drilled in 125m of water approximately 26km offshore and 30km SSE of the City of Newcastle. The drilling of the well is subject to funding and regulatory approvals and is expected to take around 40 days to reach Total Depth. The proposed well has two objectives: (i) a gas target and (ii) evaluation for Carbon Capture Storage (CCS), subject to funding. When the well has reached Total Depth and has been fully evaluated, it will be plugged and abandoned as per regulatory requirements, in line with pre-drill planning as an exploration well, the well head and associated equipment will be removed from the seabed.

PEP11 interests are: Advent Energy 85 %
Bounty Oil and Gas (ASX:BUY) 15%

During the Quarter Professor Peter Cook presented at the Informa Australia Carbon Capture and Storage (CCS) Conference and the ANZ Carbon Capture, Utilization and Storage Forum. Advent has appointed of Professor Peter Cook as an advisor on geosequestration for its project in the Offshore Sydney Basin. He is an eminent Australian and international earth scientist and a leader in the development and application of CCS technologies and has published more than 30 papers and articles on greenhouse gas technologies.

On 30 December 2020 Advent lodged an Offer Information Statement (OIS) with ASIC for a non-renounceable entitlement issue of two (2) Shares for every three (3) shares held at an issue price of \$0.05 (5 cents) per Share to raise up to \$6,525,108, further amended by a Supplementary OIS dated 30 June 2021 and a Second Supplementary OIS dated 20 October 2021.

The Offer is partially underwritten by related party Grandbridge Securities Pty Ltd (ABN 84 087 432 353) (AFSL 241057) up to \$2,271,450 and sub-underwritten by BPH up to \$1,445,710. In addition, BPH has agreed to sub-underwrite up to an additional \$825,740 being a total amount of up to \$2,271,450. The Underwriter will pay BPH a fee of 3% of the Sub-Underwritten Amount for these services.

Grandbridge Securities Pty Ltd is also Lead Manager to the Offer.

Cortical Dynamics Limited ("Cortical")

On 30 September 2021 Cortical filed a 510(K) submission with the FDA in the USA for its medical device, the Brain Anaesthesia Response Monitor (BARM™). BARM™ takes a physiological approach to measuring the effects of anaesthetic drugs on brain electrical activity for surgical operations under General anaesthetic. The BARM™ algorithm is derived from a model of how human EEG (electrical activity of the brain) is generated. BARM™ describes the electrical activity of populations of excitatory and inhibitory neurons within the cerebral cortex, and uses established physiological parameters such as the number of connections between neuronal populations, conduction velocities, and firing rates and thresholds. The model can produce the main features of spontaneous human EEG and the effects general anaesthetics have on the EEG providing anaesthetists with valuable feedback as to the depth of anaesthesia experienced by patients. Cortical Dynamics Limited was assisted in the FDA submission by MCRA, the leading U.S. Regulatory Advisor for the Medical Device and Biologics industries. BARM™ is already CE, TGA and Korea MFDS regulated.

Cortical raised \$270,000 cash in the quarter by the issue of 2,160,000 shares at 12.5 cents per share to BPH Energy Limited.

Item 1 and 2 details of payments to / receipts from related parties (Appendix 4C)

Line 6.1: \$19,000 paid to a director as remuneration \$36,000 fees to Grandbridge Limited.

Line 6.2: Loans of \$450,000 to the Advent group of companies and \$3,000 to Molecular Discovery Systems Limited.

Authorised by

A handwritten signature in black ink, appearing to read 'D. Breeze', is enclosed within a thin black rectangular border.

David Breeze
Chairman

Appendix 4C

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

Name of entity

BPH ENERGY LIMITED

ABN

41 095 912 002

Quarter ended ("current quarter")

SEPTEMBER 2021

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		
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(19)	(19)
(f) administration and corporate costs	(162)	(162)
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 (settlement of ex-directors' fees)	(264)	(264)
1.9 Net cash from / (used in) operating activities	(445)	(445)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments	(270)	(270)
(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	(453)	(453)
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(723)	(723)

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	10,173	10,173
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(445)	(445)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(723)	(723)

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	9,005	9,005

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	9,005	10,173
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)	9,005	10,173

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	(55)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(453)
<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>		

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	105	105
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	105	105
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.		
	The facilities shown above are owing to Grandbridge Limited (including \$88,000 owing by a BPH subsidiary). The balance is unsecured and interest free.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(445)
8.2	Cash and cash equivalents at quarter end (item 4.6)	9,005
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	9,005
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	20.2
	<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?	
	<div style="border: 1px solid black; height: 30px; margin-top: 5px;"></div>	
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?	
	<div style="border: 1px solid black; height: 30px; margin-top: 5px;"></div>	
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?	
	<div style="border: 1px solid black; height: 30px; margin-top: 5px;"></div>	
	<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: 31 October 2021

Authorised by: David Breeze (Director)
(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.