

ASX ANNOUNCEMENT

30 January 2024

DECEMBER 2023 QUARTERLY ACTIVITIES REPORT

QUARTERLY ACTIVITY

Projects

Delivered reality capture imagery for Chevron's Jansz-Io inlet (approx \$120k in value). Awarded third FPSO contract from Woodside Energy Ltd to implement virtualplant creating a photographic visual twin of their Okha FPSO (approx \$250k in value). Work commenced late January 2024.

Undertook several drone services projects including:

- drone traffic monitoring for Western Australia's Main Roads,
- external inspection of Perth's Fiona Stanley Hospital,
- detailed aerial photography survey for a Western Australia based mineral exploration mining company.

Developed and field-tested a drone magnetometer suspension system for use by a large multinational mining company.

Continued regular drone based remote water sampling campaigns in abandoned open pits for BHP. Received order (approx. \$37,000 in value) for monthly water sampling jobs over next 12 months.

Product

Completed development of virtualplant's Asset Audit AI technology to perform automated asset tag identification, auditing, and integration with Enterprise Asset Management Systems such as SAP.

Refined virtualplant technology roadmap to include strategic feature additions such as an enhanced data security layer, maintenance planner and asset defect detection such as corrosion.

Added capability in virtualplant to display and interrogate drone aerial reality capture imagery alongside the ground-based imagery of the inside of facilities.

Company

Establishing pathway to fund working capital needs. During the quarter, raised a total of \$754,957 through a placement and Entitlement offer. Up to \$1,653,640 shortfall still able to be placed.

Opportunities

RemSense has been building its business development capability which has resulted in a growing sales pipeline with opportunities across oil and gas, mining and utilities sectors.

Following some initial work and the provision of virtualplant pricing (valued at total of \$6M) with a global Tier 1 resources company for a range of global assets, RemSense has been awarded an additional contract (approx. \$50,000 in value) just after quarter end to begin virtual data capture for one of their Western Australian assets with work having commenced in January 2024.

Establishing a reality capture service delivery and virtualplant reseller partnerships with service providers in the US and UK.

In partnership negotiations with Malaysian based oil and gas services provider, to resell virtualplant to the oil and gas majors in the region. Preliminary pricing to deliver virtualplant to a Tier 1 oil and gas producer to assist with the ongoing decommissioning of their SE Asian offshore assets has been submitted.

ADDITIONAL APPENDIX 4C DISCLOSURES

The following information is provided as required under ASX Listing Rule 4.7C that has not been disclosed in the body of the quarterly activities report.

ASX Listing Rule 4.7C.3

Payments to related parties totalling \$141,000 for the quarter, comprising director and key management personnel salaries and superannuation.

-ENDS-

This announcement has been approved for release by the Board of RemSense Technologies Limited.

For further information:

Warren Cook
CEO
+61 8 6118 5610
rem@remsense.com.au

About RemSense

RemSense Technologies Limited (ASX: REM)

RemSense has developed virtualplant, a high-resolution 3D photographic asset visualisation platform that fulfills the promise of VR/AI technology as a digital representation of plant assets (visual twin). Virtualplant integrates with existing business operations and asset management systems to deliver greater productivity, increased safety, and reduced costs.

Appendix 4C

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

Name of entity

RemSense Technologies Limited

ABN

50 648 834 771

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	495	1,115
1.2 Payments for		
(a) research and development	(21)	(24)
(b) product manufacturing and operating costs	(74)	(165)
(c) advertising and marketing	(35)	(116)
(d) leased assets	-	-
(e) staff costs	(564)	(1,352)
(f) administration and corporate costs	(230)	(400)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(12)	(16)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	247	247
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(194)	(711)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(19)	(27)
(d) investments	-	-
(e) intellectual property	(131)	(285)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	4	11
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(146)	(301)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	754	1,095
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	(25)	(57)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of loans	(92)	(98)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease liabilities right of use assets)	(22)	(44)
3.10	Net cash from / (used in) financing activities	615	896

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	399	790
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(194)	(711)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(146)	(301)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	615	896
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	674	674

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	673	399
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)	673	399

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amounts of payments to related parties and their associates included in item 1	141
6.2	Aggregate amounts of payments to related parties and their associates included in item 2	-
<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	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (advance on R&D rebate)	-	-
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)	(194)
8.2	Cash and cash equivalents at quarter end (item 4.6)	674
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	674
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.47
	<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 January 2024.



Authorised by: Warren Cook – Chief Executive Officer
(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.