

AHI Commentary for the Quarter-Ended 31 December 2023 and Appendix 4C

Highlights

- **Binding Term Sheet with Vietnam-based OneClinic,**
- **AHI to launch a medically approved Mobile Phone-Based Atrial Fibrillation (AF).**
- **AHI signs a Master Services Agreement with UAE-based Pharmak Direct.**
- **AHI and Bearn entered a revenue-sharing agreement.**
- **AHI achieved its largest R&D reimbursement of \$2,278,757 for 2023.**

Advanced Health Intelligence Ltd (ASX/NASDAQ: AHI) ('AHI') is pleased to present an update to its shareholders, coupled with the recent Appendix 4C, showcasing our activities for the quarter ended 31 December 2023. The quarter has been marked by the cultivation of additional partnerships, further strengthening our commercial position and reinforcing our financial stability.

Our new capabilities have garnered a positive market reception, evidenced by the substantial demand from both existing and novel commercial and strategic partnerships. These partnerships are a testament to our innovative approaches and are indicative of our growing influence in the healthcare technology sector.

During Q4, we have strategically focused on expanding our commercial partnerships, which have resulted in significant revenue undertakings. These collaborations not only enhance our product offerings but also solidify our revenue streams, ensuring a robust financial foundation for our company.

The quarter's performance reflects our commitment to financial strength and operational excellence. We've taken considerable strides to ensure that our financial position remains strong, setting the stage for sustainable growth and shareholder value enhancement. Through these concerted efforts, AHI is positioning itself as a leader in the healthcare intelligence domain, with a clear trajectory towards accelerated commercial success and financial fortitude.

During Q4 2023, Advanced Health Intelligence Ltd (AHI) has made significant commercial progress through a series of strategic partnerships and innovative developments.

AHI entered a binding term sheet with OneClinic, aiming to revolutionise Vietnam's healthcare system. This includes integrating AHI's Biometric Health Assessment into OneClinic's EMR and PHR systems, targeting 1 million paid users within the first-year post-launch. The initiative addresses Vietnam's urgent need for scalable healthcare solutions amidst a high prevalence of chronic diseases.

Following this, AHI announced the forthcoming launch of AF-Scan, a Mobile Phone-Based Atrial Fibrillation Assessment tool. This technology, approved in several jurisdictions, will significantly aid in the early detection and management of atrial fibrillation, a common yet often asymptomatic condition that increases stroke risk.

Additionally, AHI has solidified its presence in the MENA region by executing a Master Services Agreement with Pharmak Direct, marking a pivotal step in integrating AHI's technology into the e-script process. This partnership includes a revenue model where AHI receives a portion of the e-script value and is expected to increase e-script order volumes substantially.

Moreover, AHI's collaboration with Bearn LLC to develop the User Data Sharing Platform (UDSP) is set to launch in January 2024. This platform will provide comprehensive health assessments and empower users to share their health data, leading to personalised health, wellness, and insurance solutions.

Lastly, AHI announced a significant R&D tax incentive reimbursement from the Australian Tax Office, which is a testament to AHI's globally unique R&D strategies and its commitment to regulatory standards.

This incentive will support AHI's ongoing research initiatives, particularly the expansion of its Biometric Health Assessment technology, which enables users to conduct health risk assessments via smartphones.

Overall, AHI's advancements in Q4 2023 demonstrate its commitment to enhancing global healthcare outcomes through strategic partnerships and the deployment of innovative health assessment tools.

On 3 November 2023 - Advanced Health Intelligence Ltd (AHI) signed a binding term sheet with Vietnam-based OneClinic, a supplier of electronic medical records (EMR) and personal health records (PHR). This partnership aims to integrate AHI's Biometric Health Assessment capabilities into OneClinic's digital health record system, which aligns with interoperable medical standards HL7 and FHIR.

OneClinic, which holds the US Patent and Trademark Office (USPTO) patent for OneEMR and has a patent pending for OnePHR, will work with AHI to initially conduct 5,000 health assessments from mobile screening clinics. This project is designed to validate and further localise the service for the Vietnamese population. Following this, AHI and OneClinic target to reach 1 million paid users in the first 12 months from the commercial launch, scheduled for Q2-2024.

The significance of this partnership is underscored by the high prevalence of chronic diseases in Vietnam, which were responsible for an estimated 81% of total deaths in 2018. With a population of approximately 100 million, Vietnam is motivated to becoming a leader in modern healthcare and unlocking the benefits of early detection and intervention for chronic illnesses.

OneClinic's digital health platform offers comprehensive IT solutions for clinic management and acts as a nexus between personal health records, clinics, testing centres, pharmacies, and private health insurance agencies. This integrated approach is aimed at revolutionising patient experiences, ensuring convenience, and elevating the standards of medical examination and treatment services.

Central to OneClinic's objectives is its state-of-the-art Electronic Medical Record (EMR) system, developed using the patented CLAS Healthcare EMR software. This system, recognised by the USPTO, works in tandem with the Global Personal Health Record system, which is pending a US patent. These tools create a comprehensive medical database aligned with international standards, encapsulating a patient's health trajectory across various healthcare facilities.

AHI and OneClinic are set to initiate a research project involving 5,000 individuals, funded by NGOs, employers, and big pharma. This foundational stage will prepare for the widespread launch of interoperable health and medical records in Vietnam. The collaboration aims to make strides in healthcare innovation, driven by the guiding principle of 'For a Healthy Vietnam,' and is poised to impact the Vietnamese healthcare landscape significantly.

On 30 November 2023 – Advanced Health Intelligence Ltd (AHI) announced it intended to launch a Mobile Phone-Based Atrial Fibrillation (AF) Assessment tool, AF-Scan, in the second quarter of 2024. This follows a binding agreement with Qompium NV, granting AHI access to Atrial Fibrillation Software, thereby expanding their Biometric Health Assessment (BHA) capabilities. AF-Scan is a groundbreaking development in the detection and management of atrial fibrillation, a common heart rhythm abnormality.

AF-Scan, which has received medical approval in multiple jurisdictions, including Australia, the EU, Singapore, the UAE, the UK, the USA, and Saudi Arabia, is designed to provide a convenient and accessible solution for monitoring atrial fibrillation. This technology will be especially beneficial given that up to 40% of AF patients are asymptomatic and that AF significantly increases the risk of stroke.

The condition is prevalent, affecting as many as 1 in 4 individuals over 40, and is associated with various comorbidities like hypertension, diabetes, heart failure, and obesity. The global prevalence of AF is approximately 60 million cases, and it contributes significantly to healthcare burdens and economic costs. The global market for AF is expected to grow substantially, driven by aging populations, lifestyle changes, and an increase in chronic diseases.

AF-Scan is part of AHI's response to these challenges, incorporating innovative technology and research to aid in the effective management of AF. The tool will play a crucial role in early detection, as AF often goes undiagnosed due to its elusive and asymptomatic nature.

By providing an on-mobile device solution, AHI aims to facilitate more widespread and proactive monitoring of heart rhythms, which is essential in managing the condition and preventing serious complications like stroke and heart failure.

The launch of AF-Scan reflects AHI's commitment to enhancing healthcare outcomes through innovative solutions, addressing a critical need in global health management, and positioning itself at the forefront of combating atrial fibrillation worldwide.

On 6 December 2023 – Advanced Health Intelligence Ltd (AHI) announced its successful execution of a Master Services Agreement with Pharmak Direct, a leading entity in the e-script market of the MENA region. This partnership, which is AHI's third strategic alliance in the UAE, significantly bolsters AHI's presence in the region.

The agreement with Pharmak Direct marks a pivotal step in integrating AHI's technology into the e-script process, enhancing patient screening and offering an innovative approach to medication management. Pharmak Direct, known for its substantial stake in the e-script market, provides digital prescription solutions that cater to both home and workplace delivery. This collaboration introduces a first-of-its-kind e-script and mobile screening point-of-sale offering, aiming to revolutionise the e-script patient experience.

A notable aspect of this partnership is the revenue model, where AHI will receive 1.6% of the e-script value for transactions using AHI's e-screening technology. The anticipated launch of the combined solution is targeted for Q2-2024, with an objective to seamlessly integrate comprehensive health data into the AHI/Pharmak system.

Pharmak Direct anticipates a significant increase in e-script order volumes, expecting a minimum of 100,000 e-scripts per month in the UAE and an equal number in Saudi Arabia. Integrating AHI's Biometric Health Assessment capabilities with Pharmak's e-script system is designed to deliver efficient and cost-effective health management solutions, thereby enhancing patient safety and overall care.

This collaboration is a strategic shift towards personalised healthcare, leveraging biometric data to refine care precision and address the chronic disease prevalence in the region. It also responds to the growing need for effective medication management in the MENA region, focusing on patient safety, effectiveness, and integrating various health assessments.

AHI's Enterprise Care Platform, as part of this initiative, is set to revolutionise healthcare management in the MENA region. It aims to introduce interoperability across different health domains and provide predictive screening on a population scale, streamlining the complexity of contemporary medication management.

This partnership comes at a time when the MENA region, especially Saudi Arabia, is significantly investing in healthcare digitisation and population screening. The region's commitment to digital health initiatives, which includes substantial budget allocation towards healthcare and social development, aligns well with the goals of this partnership.

Furthermore, the integration of AHI's Biometric Health Assessment (BHA), which provides comprehensive health outputs, is a testament to the innovative approach of this collaboration. This technology is crucial for managing patient well-being effectively.

In summary, the partnership between AHI and Pharmak Direct represents a significant advancement in healthcare technology and management within the MENA region, aligning with broader goals of healthcare digitisation and improved patient care.

On 27 December 2023 – Advanced Health Intelligence Ltd (AHI) and Bearn LLC entered an innovative partnership, resulting in the development of the User Data Sharing Platform (UDSP), set to launch in January 2024. This groundbreaking platform, which incorporates AHI's biometric scans into the Bearn App, is designed to generate personalised health information, marking a significant stride in preventive healthcare.

The partnership between AHI and Bearn is based on a 50/50 revenue-sharing agreement. The UDSP represents a major advancement in the field, particularly targeting the insurance industry. Bearn has already secured a major client for the platform, with an agreement to pay between \$30 to \$100 per user, aiming for 5,000 shared users monthly over a year.

The platform stands out for its comprehensive health assessments, which include metrics such as heart rate, stress levels, and overall cardiac and metabolic health. It empowers users to proactively share their health data, leading to highly personalised health, wellness, and insurance solutions. This user-approved information sharing is a key aspect of the platform, offering tailored insurance options and valuable health insights.

The market response to this partnership has been overwhelmingly positive, underscoring the value and potential of Bearn's platform in reshaping the health, wellness, and insurance landscape through intelligent data utilisation. One of the notable features of the UDSP is its rapid deployment capability, requiring minimal integration effort, thus making it highly accessible and efficient for insurance carriers.

Additionally, Bearn has developed a range of enterprise management tools designed to optimise operations and enhance customer interactions for sales representatives and call centre agents. The platform's innovative pay-per-result business model is another highlight, benefiting insurance carriers and brokers by generating qualified users and enhancing conversion rates.

Beyond its functional aspects, Bearn's approach is holistic, considering not only physical health markers but also mental well-being and social factors that influence health. This comprehensive evaluation is tailored to the nuanced needs of every individual, offering a pathway to better health.

In summary, the collaboration between Bearn LLC and AHI through the UDSP represents a significant leap forward in health technology and proactive health management, with the potential to transform the health and wellness service landscape. This forms a material foundation of monthly recurring revenue that will form the base of AHI's cashflow breakeven efforts this year.

On 28 December 2023 – Advanced Health Intelligence Ltd (AHI) was pleased to announce that the company and its controlled entities have secured a significant reimbursement in respect of the 2023 financial year of \$2,278,757 from the Australian Tax Office as part of Australia's Research and Development Tax Incentive Scheme (R&DTI). This achievement reflects AHI's consistent success in obtaining reimbursement grants since 2017, a testament to the company's strong R&D strategies towards developing globally unique intellectual property and commitment to regulatory standards.

This latest reimbursement brings the AHI group's total reimbursements from the Australian Government's R&DTI program to an impressive \$15,638,757. Such financial support from the Australian Government is vital in driving the development of innovative solutions and strengthening Australia's intellectual property portfolio. It further solidifies AHI's position as a leader in the health technology sector.

As part of the FY23 R&DTI claim, Additionally, AHI received an Overseas Advance Ruling to include eligible overseas R&D expenditure as part of its claim. This development, is expected to significantly increase AHI's eligible R&D expenditure for the fiscal year 2023-2024 and future years, highlighting the unique global nature of AHI's R&D and technology.

This financial incentive underscores AHI's commitment to pioneering research and aligns with the Australian Government's support for advancing global research initiatives and Australian-owned intellectual property development. It reflects AHI's fulfilment of the stringent eligibility criteria and the broader goals of the R&D reimbursement program aimed at fostering innovation and industry growth.

The \$2,278,757 reimbursement, AHI's largest to date, will play a crucial role in supporting AHI's ongoing R&D initiatives, enabling the company to invest in its team, advanced technologies, and methodologies. These investments will drive future success and potentially revolutionise global health.

A significant portion of AHI's R&D efforts for the fiscal year 2022-2023 has been dedicated to expanding its Biometric Health Assessment (BHA). The BHA empowers end-users to assess their health risk using smartphones, calculating 61 health outputs across five key health categories. This groundbreaking technology has the potential to enable billions of smartphone users worldwide to conduct biometric health assessments conveniently in approximately 12 minutes.

Additional Expected Commercial Partner Launches in Q1 2024

Upvio Healthtech.

Telehealth platform Upvio Healthtech is expected to launch in Q1 2024.

Upvio offers comprehensive medical, health and wellness practitioners technology, including human imaging, feature-rich appointment scheduling, digital forms, video calls, virtual waiting rooms, asynchronous and synchronous chat, a patient portal, and the ability to integrate into existing software. Upvio enables geo-cloud storage for securely storing sensitive patient information, ensuring that patients' data is always kept safe and secure. Upvio aims to be the first telehealth platform in the world with in-built contactless human imaging tools that can provide a scientifically validated health risk assessment in real time.

This is a game-changing development, as it means that healthcare professionals can now obtain an accurate picture of a patient's health and risk status more easily, conveniently, and affordably without the need for physical contact, drastically reducing the risk of malpractice. The platform is built on a digital-first ethos, with both patients and healthcare professionals in mind. It brings together the best-of-breed technologies, including AHI's scanning and risk assessment capabilities.

AHI expect to generate revenue from Upvio once it is commercially launched.

Augmented Reality Concierge LLC (“ARC”)

ARC is expected to launch in Q1, 2024.

Augmented Reality Concierge, LLC is a unique company that builds and implements state-of-the-art applications that empower consumers and companies to simplify and enhance their surroundings whilst improving the lives of their consumers. Using the latest proprietary, innovative technologies, the ARC's creative tools are fun and exciting, allowing people to engage with them to realise their goals.

The ARC was created in 2019 to build a fitness application that uses augmented reality navigation to guide users in the gym and show them what to do and how to do it based on each gym's specific equipment range. During this time, the ARC realised that the technology would solve similar problems confronting universities, airports, malls, grocery stores, and theme parks, to mention a few. The ARC then went a step further and designed a true “concierge” concept that caters to a company's or its consumer's wants or needs.

AHI expects to generate revenue from ARC once it is commercially launched.

Kalibra Pte Ltd

Kalibra is expected to launch AHI's BodyScan and FaceScan to its users in Q1 2024.

Kalibra is a cutting-edge personalised health and longevity platform that leverages data-driven insights and real-time actions to enhance users' healthspan. The company focuses on helping users achieve a harmonious balance among the physical, mental, and social aspects of their health, directing their efforts and attention where it is most needed.

At the core of Kalibra's approach is the application of rigorous scientific methods to an individual's health, utilising precise diagnostics, measurements, advanced data analysis techniques, machine learning, and inferential statistics to quantify and analyse a user's overall health. By translating modern scientific knowledge into practical actions, Kalibra empowers users to make informed decisions that contribute to extending their lifespan and improving their overall well-being.

AHI's technology and Kalibra's AI algorithms effectively consolidate various user data, including wearables, biomarkers, digital markers, and social and emotional factors.

This comprehensive approach enables the platform to present users with a real-time assessment of their health status and identify the most impactful actions they can take at any given moment.

In response to the demands of the connected consumer, Kalibra seamlessly integrates nutrition, exercise, sleep, mindfulness, relationships, and personal growth into a holistic journey towards improved healthspan.

AHI expect to generate revenue from Kalibra once it is commercially launched.

Vlado Bosanac, Founder and Head of Strategy at AHI, said:

“The commercial progress our company has achieved during the fourth quarter of 2023 has been transformative for AHI, marking a surge in strategic partnerships and financial developments that reinforce our commitment to our shareholders and as a leader in the health technology sector.

Our alliance with OneClinic, is a significant milestone. It positions us to integrate our Biometric Health Assessment technology into Vietnam's burgeoning digital health records system, directly aligning with international medical standards. With OneClinic's patented EMR system, we aim to advance Vietnam's healthcare infrastructure and address the critical issue of chronic diseases, with an ambitious target of 1 million paid users within the first year after our Q2-2024 launch.

The soon-to-be-launched Mobile Phone-Based Atrial Fibrillation Assessment tool, AF-Scan, should not be underestimated. This innovative solution, backed by medical approvals across several global jurisdictions, will enhance our ability to manage atrial fibrillation, a condition significantly impacting global health. The tool's potential for early detection is immense, given the stealthy nature of the condition and its association with severe health risks.

The successfully executed a Master Services Agreement with UAE-Based Pharmak Direct, solidifying our strategic position in the MENA region. This collaboration enhances patient screening and medication management through an innovative e-script process, with AHI earning 1.6% of the e-script value. This agreement underscores our capacity for financial growth and reflects our adaptability to the unique healthcare needs of the MENA region.

Our partnership with Bearn LLC took a significant step forward in the creation of the User Data Sharing Platform set to launch in January 2024, which represents a major revenue opportunity for both AHI and Bearn. Through this platform, we are set to deliver comprehensive health assessments that contribute to personalised healthcare, engaging users in active health data sharing. The platform is not only a testament to our technological innovation but also to our financial foresight, evidenced by the positive market response and a 50/50 revenue-sharing agreement.

AHI and its controlled entities also secured its largest yet reimbursement from the Australian Tax Office under the Research and Development Tax Incentive Scheme of AUD\$2,278,757. This funding is a recognition of our robust R&D strategies and will catalyse further innovation within AHI.

In closing, these achievements signify a quarter marked by significant partnerships, revenue undertakings, and a deepened focus on financial strength. Our technological advancements, coupled with our strategic partnerships, fortify our market position and underscore our commitment to transforming global healthcare.”

Scott Montgomery, CEO at AHI, said:

“2023 was a year that required substantial effort and orchestration. To integrate and optimize the technologies and teams working from multiple countries following the two acquisitions in 2022 is a large project in itself, to then produce a market-ready product, that's globally unique and that can perform at scale for multiple populations in one year is an achievement to be extremely proud of. I'm delighted to say that everyone, from the recent recruits through to long-serving executive leadership have left no stone unturned and we're very pleased to have achieved what we have. We've outlined new partners and territories that are the accelerants to commercialization and those, coupled with our existing

partners finalizing the integration of our biometric scans, we have set up 2024 perfectly for growing revenues towards positive cashflow.

Our immediate focuses for 2024 are to firstly launch our biometric scans live into partner environments which trigger license revenues to AHI, secondly, we will extend our scientific evidence portfolio in the form of publications and regulatory submissions. Executing on these two strategies alone should see AHI reclaim its historically loftier market caps from recent years. We have the team, the technology and the partners to do exactly that so couldn't be more enthusiastic about the year ahead."

Subsequent events

On 5 January 2024 - Advanced Health Intelligence Ltd informed shareholders that Bearn LLC had made a significant stride in advancing shared revenue streams for Advanced Health Intelligence Ltd (AHI), having signed three new partners for the User Data Sharing Platform (UDSP). This development, bringing the total to four partners, is set to create a substantial revenue opportunity for AHI under the existing 50/50 revenue-sharing agreement. The partners have committed to acquiring up to 25,000 user data sets monthly at a cost of USD \$ 30.00 per person. This arrangement is poised to generate significant revenue for AHI, illustrating the company's successful strategy in commercialising its biometric scan technology through the Bearn App.

The UDSP, tailored to enhance the insurance industry's efficiency and efficacy, is set to launch imminently. It offers comprehensive health assessments, including heart rate and stress level metrics, and introduces customised health and wellness solutions. This aligns with Bearn's holistic approach to health, considering not only physical health markers but also mental well-being and social determinants of health, ensuring that personalised and comprehensive evaluations are provided to every individual.

The rapid deployment capability of Bearn's UDSP, which can be integrated quickly into insurers' existing systems with minimal effort, stands to significantly boost sales and conversion rates by providing deep insights into potential customers' health and wellness. This efficiency, along with the innovative pay-per-result business model, has already attracted significant market confidence, underscored by Bearn's first client commitment to a 12-month agreement.

The progress made with Bearn LLC reflects AHI's dedication to leveraging technological innovation to meet the healthcare and wellness industry's evolving demands while simultaneously ensuring a strong financial trajectory for AHI and providing value to its shareholders.

For a more comprehensive review of the AHI shareholder and market releases, please go to:
<https://www.ahi.tech/investors>

Funding update

AHI is in final-term negotiations to close a financial agreement that will greatly enhance our capital and facilitate our continued innovation and expansion. We are in the final stages of negotiations with a funder for a Share Equity Purchase Agreement (SEPA) worth USD\$10,000,000. This SEPA agreement is structured to strengthen AHI's financial position significantly and will follow an immediate infusion of USD\$2,600,000 distributed over two instalments in February 2024.

The SEPA is designed to provide AHI with flexible access to capital, allowing us to draw on additional funds according to its operational needs. This financial mechanism is a testament to the funder's confidence in AHI's value and potential for growth. It will enable AHI to advance its strategic objectives more aggressively and sustain its momentum in transforming healthcare through technology.

Simultaneously, AHI is close to finalising a substantial R&D advance of over \$1,600,000. This advance will provide additional liquidity to bolster our recognised research and development initiatives. The combination of the SEPA and the R&D advance represents a significant injection of funds that will empower us to accelerate our product development, expand our market reach, and enhance our technological capabilities to accelerate commercialisation.

AHI is currently in negotiations with parties in the UAE regarding a Convertible Note investment up to USD\$5,000,000 to support the company's rapid expansion in the UAE and the transition of its primary NASDAQ listing.

The Convertible Note Raising offers each note at a face value of USD\$1.00, with conversion rights for noteholders. These rights allow for the conversion of the notes into fully paid ordinary shares in the Company at a rate of AUD\$0.20 per share, exercisable at the noteholder's discretion any time after six months from the subscription date and no later than 36 months from the agreement date.

The term for the Convertible Notes is set at three years, accompanied by an annual interest rate of 10%. If the notes are not converted by the end of the term, the outstanding amount, inclusive of any accrued interest, will be repayable in cash.

These financial developments are not merely injections of capital but are affirmations of the innovative path AHI has charted. As we solidify these agreements, we look forward to updating our stakeholders on the completion and the exciting opportunities they will unlock for AHI and our shareholders.

Item 6.1 - Appendix 4C attached

Item 6.1 on the attached Appendix 4C relates to the Directors fees paid to the Company's non-executive Directors during the quarter.

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The Board of Advanced Health Intelligence Ltd has approved this announcement.

Appendix 4C

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

Name of entity

Advanced Health Intelligence Ltd

ABN

85 602 111 115

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	3	58
1.2 Payments for		
(a) research and development	(15)	(15)
(b) product manufacturing and operating costs	(2)	(17)
(c) advertising and marketing	(223)	(379)
(d) leased assets	(1)	(1)
(e) staff costs	(1,036)	(2,583)
(f) administration and corporate costs	(522)	(1,811)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
1.5 Interest and other costs of finance paid	(14)	(78)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	25	25
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,785)	(4,799)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	(194)
(b) businesses	-	-
(c) property, plant and equipment	(1)	(2)
(d) investments	-	-
(e) intellectual property	-	-
(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	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	100
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1)	(96)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,065	2,065
3.2	Proceeds from issue of convertible debt securities	-	1,500
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(27)	(27)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(267)
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	2,038	3,271

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	219	2,104
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,785)	(4,799)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(96)

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)	2,038	3,271
4.5	Effect of movement in exchange rates on cash held	(10)	(19)
4.6	Cash and cash equivalents at end of period	461	461

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	461	219
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)	461	219

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	(25)
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>1. Director's fees paid to our non-executive board members</p>		

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

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)	1,725,459	1,725,459
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.		
<p>Other financing facility is represented by a Convertible Note Facility. The term of the facility is 24 months, with interest accruing on the facility at 10% per annum (calculated daily) and is compounded quarterly in arrears. The investors may elect to redeem the outstanding principal amount and interest on the loans in cash on the maturity date.</p> <p>Subject to receipt of prior Company shareholder approval, loans and interest may be converted into fully paid ordinary shares in the Company, at the investor's election, at a conversion price equal to A\$0.30 per share.</p> <p>Each investor may only request to convert the loans into Shares any time after the earlier of the first 6 months of advance of the loans to the Company and the date that the AHI share price on the ASX trades at or above a floor price of A\$0.35, by sending to the Company a written conversion request. On receipt of a conversion request, the Company must seek shareholder approval to convert the loans into Shares within two months.</p> <p>At any time prior to the Maturity Date, the Company may notify the investors that it intends to raise capital to repay the outstanding amount under the facility in cash. In this circumstance, AHI will pay a 10% break fee on the outstanding loan funds and interest.</p>		

Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,785)
8.2	Cash and cash equivalents at quarter end (item 4.6)	461
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	461
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.26
<p><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></p>		

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: The company does expect to have the current level of net operating cash flows for the time being. For further comment, refer to the Funding update section in the attached quarterly commentary.

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: Yes. Refer to 8.6.1 above.

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: Yes, through further capital raising. Refer to the Funding Update in the attached quarterly commentary

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: 31 January 2024

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.