

ASX ANNOUNCEMENT

31 October 2024

Q1 FY2025 QUARTERLY ACTIVITIES REPORT

Q1 FY2025 Highlights

- **Expanded our global operations with contracts in US and South Asia**
- Commenced delivery of major contracts won in June 2024 valued at \$1.068M
- **Secured \$918K in new contract extensions post quarter end**
- Growing demand for **virtualplant** and its AI capabilities
- Strong receivables and new orders ensuring a fast-growing healthy cash balance from Q3 FY2025

Q1 FY2025 Activities Report

RemSense Technologies Limited (**RemSense** or **the Company**) (**ASX:REM**) is pleased to provide an overview of the September 2024 quarter (Q1 FY2025) activities and the associated cash flows and cash position in the Appendix 4C (attached).

Business Overview

RemSense is a technology company engaged in industrial digital transformation using a visualisation platform. RemSense's core focus is developing **virtualplant**, a high-resolution 3D photographic asset visualisation platform providing 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.

Project Activities

During the quarter, RemSense commenced onsite scanning of Liquefied Natural Gas (LNG) operations in the northwest of Australia to the deliver on the scope of work defined under the contracts announced last quarter¹ that had a combined value of **\$1,068,391**. The work under these contracts is scheduled to be completed in late October 2024.

The Company completed terrestrial scanning of Newmont Boddington Gold Mine's primary crusher and conveyor using high resolution 360° cameras. **Virtualplant** provides the client's staff and contractors an immersive reality experience for facility inspection and maintenance planning reducing the need for staff to be exposed to a high-risk silicon dust environment.

RemSense conducted 360° terrestrial scanning of a Tier 1 Oil and Gas company's Floating Production Unit (FPU) in the deepwater U.S. Gulf of Mexico². Processing and geolocation of the imagery is scheduled to be completed early November 2024.

¹ Refer to ASX Announcements dated 7 and 11 June 2024

² Refer to ASX Announcement dated 30 September 2024

RemSense delivered numerous Remotely Piloted Aircraft System (**RPAS**) projects including aerial video for traffic monitoring surveys on behalf of Main Roads Western Australia, external building inspections including Perth's Children's Hospital, promotional real estate video and photography and aerial agricultural crop monitoring surveys. The Company continued to deliver regular monthly drone-based remote water sampling campaigns in abandoned open pits in northern Western Australia for a global Tier 1 iron ore mining company.

Many of these projects such as the external building inspection including Perth's Children's Hospital is only possible due to RemSense's equipment upgrade and CASA (Australia's Civil Aviation Safety Authority) certification to operate over and near people and property (OONP). These enhanced capabilities provide RemSense the means and authorisation to capture aerial imagery from locations previously off-limits whilst adhering to the highest safety standards.

Project Pipeline

RemSense has been awarded **new contract** extensions to projects in the northwest Australia totalling **\$708K** and South Asia totalling **US\$71K** (approximately \$104K)³. The Company is in advanced discussions regarding further extensions to existing projects and will update the market in due course.

All of the above is in addition to the work valued at **\$1.07M** which was announced in June 2024. Work is scheduled to be completed during Q2 FY2025.

The Company has another extensive two-week long drone-based water sampling program for a large mining environmental consultancy scheduled for completion November 2024.

RemSense has been requested to conduct RPAS support services as part of an exercise in relation to Woodside UAV Oil Spill response programme. This is a three (3) week project for completion in Q3 FY2025 at \$106K.

Delivering the projects described above will provide marked increases in operating income for Q2 and Q3 FY2025.

Opportunities

Expanding RemSense's business development capability together with focus on enhancing our sales messaging and communication methodology over the last six months is proving to be fruitful resulting in a growing sales pipeline with opportunities across Oil and Gas, mining, and utilities sectors. RemSense is continuing to investigate other opportunities for growth and diversification across new sectors.

RemSense is experiencing significant interest in our **virtualplant** Asset Audit AI-driven application. This AI application derives valuable insights directly from the high-resolution imagery for effective asset management. The Company is in discussion with a global Tier 1 Oil and Gas company to add Asset Audit for regular delivery of geolocated asset identification along with the current imagery.

The Company is pursuing advanced opportunities to conduct pilot projects with a number of companies including an international aggregates and cement producer.

³ Refer to ASX Announcement dated 31 October 2024

RemSense is in discussion to rescan a Tier 1 Oil and Gas producer's FPSOs based off the northwest coast of Australia. We are also in discussion with them regarding other methods of delivering geolocated high-resolution photogrammetry for their internal digital platforms.

RemSense is continuing to seek and establish strategic partnerships to expand our sales capacity internationally and domestically.

Product Development Activities

The Company continues to collaborate with our customers to continually enhance and innovate **virtualplant**. Our existing customers have also expressed interest in further enhancements of **virtualplant's** Maintenance Planner feature.

During the past quarter, RemSense enhanced its proprietary coordinate transformation and geolocation functionality of **virtualplant's** Asset Audit AI-driven application making it even more robust, more flexible and user friendly.

RemSense continue to innovate it's RPAS equipment payloads including further development of bespoke water sampling tools and sonar for measuring depth of water in abandoned pits etc so to allow accurate collection of samples at defined depths.

RemSense is continuing to seek and establish strategic partnerships with innovative technology companies developing cutting-edge applications to add to our **virtualplant** technology stack.

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 totalled \$89k and was in respect of key management personnel salaries, and superannuation. All payments were on normal commercial terms.

-ENDS-

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

Disclaimer

This report has been prepared by RemSense Technologies Limited (RemSense). The material contained in this report is for information purposes only. This release is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in RemSense and neither this release nor anything contained in it shall form the basis of any contract or commitment.

This report may contain forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning RemSense business plans, intentions, opportunities, expectations, capabilities, and other statements that are not historical facts. Forward-looking statements include those containing such words as could, plan, target, estimate, forecast, anticipate, indicate, expect, intend, may, potential, should or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of RemSense, and which could cause actual results to differ from those expressed in this report. Because actual results might differ materially to the information in this report, RemSense does not make, and this report should not be relied upon as, any representation or warranty as to the accuracy, or reasonableness, of the underlying assumptions and uncertainties. Investors are cautioned to view all forward-looking statements with caution and to not place undue reliance on such statements.

The report has been prepared by RemSense based on information available to it, including information from third parties, and has not been independently verified. No representation or warranty, express or implied, is made to the fairness, accuracy or completeness of the information or opinions contained in this report.

About RemSense Technologies Limited (ASX: REM)

Shares in RemSense Technologies Limited (ASX: REM) are traded on the Australian Securities exchange (ASX).

For more information, please visit our website www.remsense.com.au

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")

30 September 2024

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	660	660
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(61)	(61)
(c) advertising and marketing	(87)	(87)
(d) leased assets	-	-
(e) staff costs	(363)	(363)
(f) administration and corporate costs	(222)	(222)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(10)	(10)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(83)	(83)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant, and equipment	(2)	(2)
(d) investments	-	-
(e) intellectual property	3)	(3)
(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	15	15
	(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	10	10

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	50	50
3.6	Repayment of loans	(122)	(122)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease liabilities right of use assets)	(25)	(25)
3.10	Net cash from / (used in) financing activities	(97)	(97)

Note: * includes \$300,000 of funds received from directors. Shareholder approval is being sought at a meeting of shareholders on 10 May for the issue of shares for this investment.

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	325	325
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(83)	(83)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	10	10

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)	(97)	(97)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	155	155

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	155	325
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)	155	325

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	43
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	100	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		100
7.6	<p>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> <p>\$100,000 loan facility with Broadway Management (WA) Pty Ltd. Any funds drawn down as part of this facility will earn interest at a rate of 10% pa from date of drawing, secured against the Company's 2024 R&D Tax Incentive Refund.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(83)
8.2	Cash and cash equivalents at quarter end (item 4.6)	157
8.3	Unused finance facilities available at quarter end (item 7.5)	100
8.4	Total available funding (item 8.2 + item 8.3)	257
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.10
	<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	<p>If item 8.5 is less than 2 quarters, please provide answers to the following questions:</p> <p>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?</p> <p>Answer: N/A</p> <p>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?</p> <p>Answer: N/A</p> <p>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?</p> <p>Answer: N/A</p> <p><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></p>	

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 2024

Authorised by: Board of Directors
(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.